

is a 40-percent lag in production on the home front. But even when I was in the European theaters of war in September, I was told there was a lack of supplies at the front and as I stated several times at London, and at the front, and after my return to the United States, that there was great need of ammunition and wire. After the optimistic statements by General Eisenhower and Prime Minister Churchill last summer that war would soon be over and there was no general appeal for war supplies, it cannot be wondered at, that industry began to give thought to reconversion and the workers began to think of peacetime jobs. If mistakes have been made in production it is largely due to the lack of frankness—this filtering of news—this less than the whole story that is given to the public. The public is losing faith in the stories of our victories. It is time that the half-truth stop and the public be told the whole truth.

It is the only way we shall secure full war production for our fighting forces.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has again expired.

#### EXPLANATION OF ABSENCE FROM ROLL CALL

Mr. PFEIFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PFEIFER. Mr. Speaker, I wish to inform the House of the reason why I am not recorded on the vote this afternoon. The bells in my office failed to ring. I was on the floor until 3 p. m., but then had gone to my office. When I came over the roll call had been finished. Nevertheless, had I been present I would have voted "no."

#### ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House on the following titles, which were thereupon signed by the Speaker:

H. R. 4366. An act for the relief of Alex Wylie and the estate of James Evans; and

H. R. 4917. An act conferring upon the State of Montana authority to exchange for other lands certain lands selected by the State of Montana for the use of the University of Montana for biological station purposes pursuant to the act of March 3, 1905 (33 Stat. 1080).

#### ADJOURNMENT

Mr. PFEIFER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Wednesday, December 6, 1944, at 11 o'clock a. m.

#### COMMITTEE HEARINGS

##### COMMITTEE ON REVISION OF THE LAWS

The committee will hold a hearing on Wednesday, December 6, 1944, at 10 a. m., in the committee room of the Committee on Agriculture, to consider H. R. 5450, to revise and codify the criminal laws of the United States and to hold public hearings thereon.

#### EXECUTIVE COMMUNICATIONS, ETC.

2060. Under clause 2 of rule XXIV a letter from the President of the United States, transmitting a report on the requirement for water for military and civilian use in San Diego County, Calif., was taken from the Speaker's table and referred to the Committee on Irrigation and Reclamation.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LEMKE: Committee on the Public Lands. S. 209. An act authorizing the conveyance of certain property to the State of North Dakota; without amendment (Rept. No. 2019). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK: Committee on Irrigation and Reclamation. H. R. 4795. A bill to authorize the undertaking of the initial stage of the comprehensive plan for the conservation, control, and use of the water resources of the Missouri River Basin; with amendment (Rept. No. 2020). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEMKE: Committee on Irrigation and Reclamation. H. R. 4808. A bill to amend the Fact Flinders Act; with amendment (Rept. No. 2021). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 4857. A bill to confirm the claims of Charles Gaudet under Spanish patents to section 18, township 11 south, range 5 east, and section 21, township 12 south, range 5 east, St. Helena meridian, Parish of St. James, State of Louisiana, together with all accretion; with amendment (Rept. No. 2022). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MURDOCK:

H. R. 5581. A bill to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project; to the Committee on Irrigation and Reclamation.

By Mr. CASE:

H. R. 5582. A bill authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes; to the Committee on Indian Affairs.

By Mr. McMILLAN of South Carolina:

H. R. 5583. A bill establishing wage differential for leadingmen and quartermen at all naval establishments; to the Committee on Naval Affairs.

By Mr. WICKERSHAM:

H. R. 5584. A bill to enable the mothers, fathers, and widows of deceased members of the armed forces now interred in cemeteries outside the continental limits of the United States or in Alaska to make a pilgrimage to

such cemeteries; to the Committee on Military Affairs.

By Mr. PLOESER:

H. J. Res. 322. Joint resolution proposing an amendment to the Constitution of the United States limiting the tenure of office of President of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. JARMAN:

H. Res. 669. Resolution authorizing the printing of the prayers of the Chaplain of the House of Representatives; to the Committee on Printing.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURLEY:

H. R. 5535. A bill for the relief of Evelyn DeNunzio, Mrs. Mary Capodanno, and the legal guardian of Vincent Capodanno; to the Committee on Claims.

By Mr. WILEY:

H. R. 5586. A bill for the relief of the estate of James W. Taylor III; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6231. By Mr. ROLPH: Resolution of the Citizens Advisory Committee on Agriculture of the California State Reconstruction and Reemployment Commission, Sacramento, Calif., relative to making more equitable price stabilization provisions for agricultural production; to the Committee on Banking and Currency.

6232. Also, resolution of the Citizens Advisory Committee on Agriculture of the California State Reconstruction and Reemployment Commission, Sacramento, Calif., relative to dates for establishing ceiling prices on farm products; to the Committee on Banking and Currency.

## SENATE

WEDNESDAY, DECEMBER 6, 1944

(Legislative day of Tuesday, November 21, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, infinite in mercy, love, and power, we come knowing that all else is vanity, that all other cisterns are empty and broken and in Thee alone is the fountain of life. Thou knowest the stern responsibilities that confront us and the pathetic limitations of our knowledge. Thou knowest, too, our deep necessities and our unutterable desires. We can bring to Thee but unfulfilled aspirations and many a failure that makes us ashamed. When we foolishly endeavor to live our lives without Thee, we deny our reason, we blot out our hope, and destroy our joy.

Forbid that our lives should be so busy with the trivial traffic of the common days that, as in the Bethlehem inn of long

ago, the highest and best should be crowded out of our reckoning. As the advent month brings a song that soars above the sobs and a flutter of wings above the woe of a warring world, lead our jaded and worldly wise spirits out to the peaceful plains where with the simple faith of shepherds we may hear the angels sing. So pour upon our Nation's leaders Thy spirit of counsel and understanding that they may follow the star of their highest designs to a future for all humanity glorified by the light which comes from Thee. In the dear Redeemer's name. Amen.

#### THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, December 5, 1944, was dispensed with, and the Journal was approved.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. McLeod, one of its clerks, announced that the House had passed without amendment the following bills of the Senate.

S. 556. An act for the relief of Pedro Jose Arrecocoechea;

S. 516. An act for the relief of Mrs. Mary Vullo;

S. 1002. An act to compensate Roy W. Olsen for the loss of an eye on account of negligence of Works Progress Administration employees September 25, 1938, at Cranston, R. I.;

S. 1274. An act for the relief of Vodie Jackson;

S. 1462. An act for the relief of Solomon and Marie Theriault;

S. 1557. An act for the relief of Joel A. Hart;

S. 1732. An act for the relief of Arthur M. Sellers;

S. 1740. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of Marjorie E. Drake, Edith Mae Drake, Minnie L. Bickford, and Irene M. Paolini;

S. 1756. An act for the relief of William Luther Thaxton, Jr., and William Luther Thaxton, Sr.;

S. 1853. An act for the relief of Dr. Frank K. Boland, Sr.;

S. 1869. An act for the relief of Mrs. Mamie Dutch Vaughn;

S. 1897. An act for the relief of Mrs. Sophia Tannenbaum;

S. 1899. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Alfred Files;

S. 1900. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of the estate of Bertha L. Tatraut;

S. 1942. An act for the relief of Dr. E. S. Axtell;

S. 1958. An act for the relief of Fire District No. 1 of the town of Colchester, Vt.;

S. 1960. An act for the relief of Clifford E. Long and Laura C. Long;

S. 1968. An act for the relief of Elizabeth A. Becker;

S. 1987. An act for the relief of Gordon Lewis Coppage;

S. 1993. An act for the relief of the estates of Joseph B. Gowen and Ruth V. Gowen;

S. 1997. An act for the relief of Jack Stowers, B & O Store, and Cotton County Poultry & Egg Co.;

S. 2006. An act for the relief of J. A. Davis;

S. 2008. An act for the relief of Herman Philyaw;

S. 2042. An act for the relief of the legal guardian of Nancy Frassrand, a minor;

S. 2064. An act for the relief of Richard H. Beall; and

S. 2168. An act for the relief of certain disbursing officers of the Army of the United States, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2185) to authorize the Secretary of the Interior, in carrying out the purposes of the act of May 18, 1916 (39 Stat. 137), to purchase logs, lumber, and other forest products; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. O'CONNOR, Mr. FERNANDEZ, Mr. MURDOCK, Mr. MUNDT, and Mr. GILCHRIST were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2148. An act for the relief of Elias Baumgarten;

H. R. 2626. An act for the relief of certain Basque aliens;

H. R. 3614. An act for the relief of the Queen City Brewing Co.;

H. R. 3639. An act for the relief of Herman Weinert, Jr., M. D.;

H. R. 4146. An act for the relief of Filip Nicola Lazarevich;

H. R. 4224. An act for the relief of the Morgan Creamery Co.; and

H. R. 5564. An act to fix the rate of tax under the Federal Insurance Contributions Act on employer and employees for the calendar year 1945.

#### ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1471. An act for the relief of Mrs. Eugene W. Randall;

S. 1590. An act for the relief of the State of Tennessee;

S. 1645. An act relating to the administration of the Glacier National Park Fish Hatchery, at Creston, Mont., and for other purposes;

S. 1710. An act to authorize the sale and conveyance of certain property of the estate of Jackson Barnett, deceased Creek Indian;

S. 1877. An act to transfer Georgetown County, S. C., from the Florence division to the Charleston division of the eastern judicial district of South Carolina;

H. R. 4366. An act for the relief of Alex Wylie, and the estate of James Evans; and

H. R. 4917. An act conferring upon the State of Montana authority to exchange for other lands certain lands selected by the State of Montana for the use of the University of Montana for biological station purposes pursuant to the act of March 3, 1905 (33 Stat. 1080).

#### CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Overton
Austin	Guffey	Radcliffe
Bailey	Gurney	Reed
Ball	Hall	Revercomb
Bankhead	Hatch	Reynolds
Bilbo	Hayden	Robertson
Buck	Hill	Russell
Burton	Holman	Shipstead
Bushfield	Jenner	Stewart
Butler	Johnson, Colo.	Taft
Byrd	Kilgore	Thomas, Okla.
Capper	La Follette	Thomas, Utah
Caraway	Langer	Tunnell
Chandler	Lucas	Tydings
Clark, Mo.	McClellan	Vandenberg
Connally	McFarland	Wagner
Cordon	McKellar	Walsh, Mass.
Danaher	Maoney	Walsh, N. J.
Davis	Maybank	Weeks
Downey	Mead	Wheeler
Eastland	Millikin	Wherry
Ellender	Murray	White
Ferguson	Nye	Wiley
Gerry	O'Daniel	Willis
Gillette	O'Mahoney	Wilson

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from Nevada [Mr. McCARRAN] and the Senator from Utah [Mr. MURDOCK] are detained on official business for the Senate.

The Senator from Florida [Mr. PEPPER] is absent on important public business.

The Senator from Kentucky [Mr. BARKLEY] and the Senator from New Mexico [Mr. CHAVEZ] are unavoidably detained.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Idaho [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Georgia [Mr. GEORGE], the Senator from Nevada [Mr. SCRUGHAM], the Senator from Utah [Mr. THOMAS], the Senator from Missouri [Mr. TRUMAN], the Senator from Washington [Mr. WALLGREN] and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. BROOKS], the Senator from Oklahoma [Mr. MOORE], and the Senator from New Hampshire [Mr. TOBEY].

The VICE PRESIDENT. Seventy-five Senators have answered to their names. A quorum is present.

#### SENATOR FROM LOUISIANA—CREDENTIALS

Mr. ELLENDER presented the credentials of JOHN H. OVERTON, chosen a Senator from the State of Louisiana for the term commencing January 3, 1945, which were read and ordered to be filed, as follows:

STATE OF LOUISIANA,  
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1944, JOHN H. OVERTON was duly



chosen by the qualified electors of the State of Louisiana a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning at noon on January 3, 1945.

Witness: His Excellency, our Governor, J. H. Davis, and our seal hereto affixed at Baton Rouge, this 20th day of November, in the year of our Lord, 1944.

J. H. DAVIS,  
Governor.

By the Governor:

[SEAL]

WADE O. MARTIN, Jr.,  
Secretary of State.

DECEMBER 6, 1944.

To the Senate:

The above-mentioned committee hereby submits the following report showing the

# REPORT OF COMMISSION ON LICENSURE (HEALING ARTS PRACTICE ACT), DISTRICT OF COLUMBIA

The VICE PRESIDENT laid before the Senate a letter from the President of the Commission on Licensure (Healing Arts Practice Act), District of Columbia, transmitting, pursuant to law, a report showing the activities of the Commission for the fiscal year ended June 30, 1944, which, with the accompanying report, was referred to the Committee on the District of Columbia.

## COMMITTEE ON MILITARY AFFAIRS

name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of November 1944, in compliance with the terms

# PERSONS EMPLOYED BY A COMMITTEE WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The VICE PRESIDENT laid before the Senate a monthly report of the chairman of the Committee on Military Affairs made in response to Senate Resolution 319, agreed to August 23, 1944, relative to persons employed who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Theodore B. Stothart.....	3801 Fourth St. SE.....	War Department, Adjutant General's Office.....	\$1,800
Amy J. Tishendorf.....	4434 First St. NE.....	War Department, Legislative and Liaison Division, Office of Chief of Staff.....	2,000
Col. Lewis Sanders.....	1911 R St. NW.....	War Department.....	6,000
Col. David A. Watt.....	Clinton, Md.....	do.....	6,000

ROBT. R. REYNOLDS, Chairman.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RADCLIFFE, from the Committee on Commerce:

H. R. 4968. A bill to amend section 511 (c) of the Merchant Marine Act, 1936, as amended, relative to deposit of vessel proceeds received from the United States in certain cases, and for other purposes; without amendment (Rept. No. 1315).

By Mr. ROBERTSON, from the Committee on Claims:

H. R. 2150. A bill for the relief of Diemer Adison Coulter and Frances Andrews Coulter; without amendment (Rept. No. 1316);

H. R. 3218. A bill for the relief of Enid M. Albertson; without amendment (Rept. No. 1317);

H. R. 3484. A bill for the relief of Mrs. Pearl W. Peterson; without amendment (Rept. No. 1318);

H. R. 3781. A bill for the relief of Hall Faris; without amendment (Rept. No. 1319);

H. R. 3880. A bill for the relief of Mrs. Anna Zukas; without amendment (Rept. No. 1352);

H. R. 3928. A bill for the relief of James LeRoy Eden; without amendment (Rept. No. 1320);

H. R. 4333. A bill for the relief of Bertha LeFrancq; without amendment (Rept. No. 1321); and

H. R. 4629. A bill for the relief of Ludwig Wolf; without amendment (Rept. No. 1322).

By Mr. WILSON, from the Committee on Claims:

H. R. 3302. A bill for the relief of Eleanor Parkinson; without amendment (Rept. No. 1351).

By Mr. WHERRY, from the Committee on Claims:

H. R. 2354. A bill for the relief of the estate of Mrs. Phoebe Sherman, and for Mrs. Harriett W. Vanderhoef and Allan Vanderhoef; without amendment (Rept. No. 1335);

H. R. 2688. A bill for the relief of Clarence H. Miles, Mrs. Mollie Miles, and Hardy Miles, a minor; without amendment (Rept. No. 1336);

H. R. 4588. A bill for the relief of Robert L. Whiddon; with an amendment (Rept. No. 1338); and

H. R. 4631. A bill for the relief of John L. MacNeil; without amendment (Rept. No. 1337).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 3191. A bill for the relief of Lillian Hill; without amendment (Rept. No. 1323);

H. R. 3414. A bill for the relief of Edward C. Robbins; without amendment (Rept. No. 1345);

H. R. 3467. A bill for the relief of Miss Anne Watt; without amendment (Rept. No. 1346);

H. R. 4101. A bill for the relief of P. E. Brannen; with an amendment (Rept. No. 1350);

H. R. 4451. A bill for the relief of John McLaughlin, Sr., and John McLaughlin, Jr.; without amendment (Rept. No. 1347);

H. R. 4525. A bill for the relief of M. Grace Murphy, administratrix of the estate of John H. Murphy; without amendment (Rept. No. 1348); and

H. R. 4542. A bill for the relief of Harold Miller; without amendment (Rept. No. 1349).

By Mr. O'DANIEL, from the Committee on Claims:

H. R. 2300. A bill for the relief of Rose B. Luzar; without amendment (Rept. No. 1339);

H. R. 3369. A bill for the relief of Harry V. Hearn; without amendment (Rept. No. 1340);

H. R. 3814. A bill for the relief of M. Senders & Co.; without amendment (Rept. No. 1341);

H. R. 3995. A bill for the relief of Walter Lundmark; without amendment (Rept. No. 1324);

H. R. 4038. A bill for the relief of Joseph W. Steel; without amendment (Rept. No. 1325);

H. R. 4144. A bill for the relief of Brig. Gen. Louis J. Fortier; without amendment (Rept. No. 1326);

H. R. 4212. A bill for the relief of Robert Rowe and Mary Rowe; without amendment (Rept. No. 1342);

H. R. 4213. A bill for the relief of Karl Lungstrass; without amendment (Rept. No. 1343);

H. R. 4322. A bill for the relief of the estate of Floyd M. Adair, deceased; without amendment (Rept. No. 1327);

H. R. 4345. A bill for the relief of the legal guardian of Luther Marcus Smith, a minor; without amendment (Rept. No. 1328);

H. R. 4549. A bill for the relief of Sandy O. Brown; without amendment (Rept. No. 1329); and

H. R. 4962. A bill for the relief of Jessie Springsteen and John Springsteen; without amendment (Rept. No. 1344).

By Mr. STEWART, from the Committee on Claims:

H. R. 1556. A bill for the relief of Archie Barwick; without amendment (Rept. No. 1330);

H. R. 2543. A bill for the relief of Mrs. Nelle Jones; without amendment (Rept. No. 1331);

H. R. 4049. A bill for the relief of Alfred F. Ross; without amendment (Rept. No. 1332);

H. R. 4367. A bill for the relief of Mrs. Julia Toler; with an amendment (Rept. No. 1334);

H. R. 4481. A bill for the relief of William H. Crompton; with an amendment (Rept. No. 1353); and

H. R. 4593. A bill for the relief of Thomas R. Clark; without amendment (Rept. No. 1333).

## PRINTING OF REPORT OF NATIONAL SOCIETY OF DAUGHTERS OF THE AMERICAN REVOLUTION (S. DOC. NO. 251)

Mr. HAYDEN, from the Committee on Printing, reported an original resolution (S. Res. 347), which was considered by unanimous consent and agreed to, as follows:

Resolved, That the Forty-seventh Annual Report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1944, be printed as a Senate document.

## ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, December 6, 1944, that committee presented to the President of the United States the following enrolled bills:

S. 1471. An act for the relief of Mrs. Eugene W. Randall;

S. 1590. An act for the relief of the State of Tennessee;

S. 1645. An act relating to the administration of the Glacier National Park Fish Hatchery, at Creston, Mont., and for other purposes;

S. 1710. An act to authorize the sale and conveyance of certain property of the estate of Jackson Barnett, deceased Creek Indian; and

S. 1877. An act to transfer Georgetown County, S. C., from the Florence division to

the Charleston division of the eastern judicial district of South Carolina.

#### BILL INTRODUCED

Mr. MEAD introduced a bill (S. 2212) for the relief of Thomas F. Gray, which was read twice by its title and referred to the Committee on Claims.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H. R. 2148. An act for the relief of Elias Baumgarten;

H. R. 2626. An act for the relief of certain Basque aliens; and

H. R. 4146. An act for the relief of Filip Nicola Lazarevich; to the Committee on Immigration.

H. R. 3614. An act for the relief of the Queen City Brewing Co.;

H. R. 3639. An act for the relief of Herman Weinert, Jr., M. D.; and

H. R. 4224. An act for the relief of the Morgan Creamery Co.; to the Committee on Claims.

H. R. 5564. An act to fix the rate of tax under the Federal Insurance Contributions Act on employer and employees for the calendar year 1945; to the Committee on Finance.

#### QUESTIONS AND ANSWERS ON OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a series of questions and answers on the old-age and survivors insurance trust fund. I believe these questions and answers will be of help to Senators in considering the problem of the social-security freeze, which now is pending before the Committee on Finance.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

#### THE OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

Question. What is the Federal old-age and survivors insurance trust fund?

Answer. It is a fund composed of amounts accumulated under the old-age and survivors insurance program. The fund is held by the board of trustees under authority of the Social Security Act. The three members of this board, each of whom serves in an ex-officio capacity, are the Secretary of the Treasury, the Secretary of Labor, and the Chairman of the Social Security Board. The Secretary of the Treasury serves as managing trustee.

Question. From what sources do receipts come into the trust fund?

Answer. Receipts come primarily from contributions paid by covered workers and their employers toward old-age and survivors insurance. A secondary source of receipts is interest received on investments held by the fund. A third potential source of revenue for the trust fund is provided in an amendment to the Social Security Act in 1943, which authorizes, as a Government contribution, the appropriation to the trust fund of such additional sums out of general revenues as may be required to finance the benefits and payments provided under the Social Security Act.

Question. Can the money in the trust fund be spent for any other purpose than to pay for old-age and survivors benefits and administrative expenses? Could money from the trust fund be used to pay out unemployment insurance benefits, for instance, if

unemployment compensation funds were exhausted?

Answer. No. The sums in the trust fund can be used for no other purpose than to pay old-age and survivors benefits and the administrative expenses of the program. There is no connection whatsoever between the old-age and survivors insurance trust fund and the unemployment trust fund, except that both operate under the Social Security Act.

Question. Does the managing trustee invest all the contributions that come into the trust fund?

Answer. He invests that portion of the trust fund which is not required for meeting current expenditures for benefits or administration.

Question. Can the managing trustee invest sums from the trust fund as he pleases?

Answer. No. According to the act, amounts in the fund not required for current expenditures must be invested in interest-bearing obligations of the United States Government or in obligations guaranteed as to both principal and interest by the United States. The reason for this limitation is that such investments are the safest in the world. It is also standard practice for all trust funds held by the Federal Government.

The investment feature of the trust fund is a procedure similar to that followed by sound business concerns. Banks, insurance companies, and others do not store in a vault all the money they receive. The money not currently needed is put to work—invested so it will earn interest.

Question. What investments were made for the fund during the fiscal years ending June 30, 1943, and June 30, 1944?

Answer. During the fiscal year 1943, special Treasury notes were bought to the amount of \$1,434,000,000 and Treasury bonds to the amount of \$125,000,000; during the fiscal year 1944, purchases of special Treasury notes totaled \$342,000,000, purchases of Treasury bonds, \$450,035,880, and Treasury certificates of indebtedness, \$380,000,000.

Question. How much does the interest from investments amount to?

Answer. The total amount of interest received on investments of the trust fund through June 30, 1944, was \$404,658,876.

Question. Doesn't investing sums from the trust fund in Government bonds mean that old-age and survivors insurance contributions are collected to pay for other Government activities?

Answer. No. The money is loaned to the Federal Government for use in the same way as money the Federal Government borrows from banks, insurance companies, individuals, etc. The loan must be repaid with interest.

Question. Are not workers covered by O. A. S. I. taxed twice to pay for their benefits?

Answer. No. The contributions are deposited in the trust fund and invested in Government bonds, i. e., the Treasury borrows them. It uses the money just as if it had been borrowed from banks. Later, when benefits are to be paid, the Treasury may have to get money by taxation to redeem the bonds held by the trust fund, so the trust fund can pay the benefits. These later taxes are not for the purpose of paying O. A. S. I. benefits. Rather, they are to pay for the cost of the war and the general operating expenses of the Government. If the trust fund were not there, the Treasury would have to borrow that much more from banks. Then in the future we would have to pay just as much in taxes to pay off the bonds held by the banks, and in addition we would have to be taxed to support the aged and survivors. So a contributory social security program which builds up a trust fund through payroll contributions now is really a device for getting wage earners as a group to finance their own future security by lending some of their present earnings to the Treasury, to be

repaid when needed. To this extent it reduces the amount of taxation which will be necessary in the future to meet our total obligations.

Question. If amounts from the trust fund are invested, does it not mean that when the money is needed to pay benefits it may not be there?

Answer. The investments of the trust fund may be converted to cash at any time. Moreover, every year the board of trustees submits a report to Congress on the operations and status of the trust fund during the preceding year and on its expected operation and status during the next 5 fiscal years. Thus, if there were ever any danger of there being too little money in the trust fund for payments, the deficit would be foreseen early enough so that remedial action could be taken.

Question. Is there enough in the fund now to take care of the liabilities when they come due?

Answer. No; there is not. At present the system is not self-supporting. The total liability which has accrued on a level premium basis for the payment of insurance benefits is several times in excess of the amount in the existing trust fund.

Question. Have the rates of contribution been raised?

Answer. No; the contributions have been kept at the original rates—1 percent of taxable wages for both employer and employee. The original act provided that the rates should rise to 1½ percent on January 1, 1940, to 2 percent on January 1, 1943, to 2½ percent on January 1, 1946, and to 3 percent on January 1, 1949. The social security amendments of 1939 modified this original schedule of contribution rates to provide that the rate of 1 percent each on employees and employers should continue in effect through 1942, but left the remainder of the schedule as originally enacted. The Revenue Act of 1942 provided that the 1-percent rates should continue through 1943. Public Law 211 of the Seventy-eighth Congress extended the 1-percent rates further through February 29, 1944, while the Revenue Act of 1943 extended the same rates throughout 1944. As it stands now, the 2-percent rates are to go into effect on January 1, 1945, the 2½-percent rates on January 1, 1946, and the 3-percent rates on January 1, 1949.

Question. Why was a graduated schedule of contributions incorporated in the 1935 Social Security Act?

Answer. It was incorporated in order to give employees, employers, and the economy generally an opportunity to become adjusted to the imposition of the pay-roll taxes.

Question. As time goes on, are benefit disbursements under the program expected to increase?

Answer. They are expected to increase markedly over a long period. The reason is that for many decades the number of persons aged 65 and over will be increasing and that an increasing proportion of such aged persons will be qualifying for benefits under the old-age and survivors insurance system. At the beginning of 1940 there were about 9,000,000 persons aged 65 and over, equivalent to 6.8 percent of the total population. According to carefully developed estimates, the number of persons aged 65 and over may increase to about 22,000,000 or 14.4 percent of the population within 40 years. Moreover, the proportion of aged persons eligible to receive benefits under the program will be constantly increasing over the same 40 years.

Question. How much do present benefit payments total?

Answer. Present benefit payments are around \$200,000,000 a year.

Question. Has the volume of benefit payments increased or decreased on account of the war?



Answer. Benefit payments have increased steadily during the war, but not because of it. The increase has been less than had been expected under conditions of peace. Many thousands of workers 65 and over who have built up rights to benefits and who probably would have claimed them in more normal times have remained at their jobs. In addition, many persons already on the benefit rolls have suspended their benefit payments by returning to covered employment. These two groups combined constitute some 600,000 persons.

Question. To what extent are disbursements expected to increase?

Answer. Over a period of four decades disbursements may increase as much as 15 to 30 times the present rate.

Question. In making its actuarial projections of the future costs of the old-age and survivors insurance system what factors are taken into consideration?

Answer. Among the most important are: (1) Mortality; (2) population progress dependent upon births, deaths, emigration, and immigration; (3) family composition; (4) amount of employment; (5) amount of wages; (6) length of the productive period; (7) length of the period of dependent childhood; (8) length of the period of retirement; (9) invalidity; (10) interest rates; (11) migration between covered and uncovered employment; (12) the war.

Question. What do the actuarial calculations show as to future costs?

Answer. All actuarial calculations indicate a steeply increasing annual cost. The principal reasons are: (1) The growing number of aged persons in our population. (2) The growing number of aged persons who will become entitled to benefits. (3) The increasing amount of benefits per person due to the fact that size of benefits is related to the amount of earnings and length of employment in covered jobs.

Question. According to the actuarial estimates, how many aged people will be receiving O. A. S. I. benefits in 1960?

Answer. Two actuarial estimates have been made—one under low-cost assumptions and one under high. Under low assumptions, in the year 1960 there will be 3,500,000 aged persons receiving benefits; under the high assumptions 4,800,000. By the year 2000, which is as far as the projections have been carried, these figures will be 10,700,000 under the low assumptions and 19,300,000 under the high. There were 500,000 aged people receiving O. A. S. I. benefits as of June 30, 1944.

Question. How many children and widowed mothers will be getting benefits in 1960?

Answer. Under the low assumptions in the year 1960, 1,800,000 children and widowed mothers will be getting benefits; under the high assumptions 1,600,000. The smaller number of beneficiaries under the high assumptions results from the use of a projected table which assumes lighter mortality combined with a lower birth rate. The lower mortality rate would result in more aged persons qualifying for benefits. There were 340,000 children and widowed mothers receiving benefits as of June 30, 1944.

Question. Are not heavier contributions coming into the trust fund on account of the war, and do not these make up for the low contribution rate?

Answer. The contributions now being collected are higher, true; than was originally expected at the time of the 1939 amendments. During the fiscal year 1944, as a consequence of war, the contributions to the trust fund increased from \$691,000,000 in the fiscal year 1941 to \$1,292,000,000. This increase came about because more people worked more steadily and at higher wages. Approximately 47,000,000 workers received taxable wages in the calendar year 1943, as compared with only 35,000,000 in 1940 and less than 32,000,000 in 1938. The assets of

the trust fund rose from \$2,400,000,000 at the end of fiscal year 1941 to \$5,400,000,000 at the end of fiscal year 1944, an increase of \$3,000,000,000. But the increasing assets of the fund are not a net gain. In considering the increasing amount of contributions, account must be taken of the increased liabilities to which these assets give rise. The wages which account for the increased current receipts will also in the future serve to qualify many individuals for benefits who would not otherwise receive them, and will increase the potential benefit amounts payable to other individuals.

Question. Why does the Social Security Board think the contribution rates should be increased?

Answer. Prudent management requires emphasis on the long-range relationship of income and disbursements. At the 1 percent rate of contribution the system is not self-supporting. It is estimated that the level premium cost of the benefits now provided by the system is between 4 percent and 7 percent of the covered pay roll. This means that if pay-roll taxes of this magnitude (employer tax and employee taxes combined) had been levied from the beginning, and were continued indefinitely, the system as a whole would be just self-supporting. The present rates of contribution even under the most favorable prospects are not more than half the minimum level premium cost of the system. Moreover, they are only one-third the ultimate maximum rates provided by statute.

The Board believes that the rates of contributions should be raised at once to 2 percent each for employers and employees for the following reasons: (1) The existing rates of contributions are less than necessary to support the system on a level-premium basis; (2) the existing rates constitute a smaller proportion of the total cost than it is believed suitable to meet by employer and employee contributions; and (3) general economic conditions are such that increased rates of contribution could be borne without injury to the economy.

#### NECESSITY OF INCREASE IN PRODUCTION OF WAR MATERIEL—ADDRESS BY LT. GEN. BREHON SOMERVELL

Mr. HILL. Mr. President, I have before me a copy of the address which Gen. Brehon Somervell, the commanding general of the Army Service Forces, delivered this morning in New York before the National Association of Manufacturers. General Somervell characterizes the address as the most important speech he has ever made. It deals with the question of matériel and supplies for our armed forces at this time. General Somervell says:

More matériel equals fewer casualties, a shorter war.

Mr. President, this is to my mind a tremendously interesting, timely, and challenging address. I believe it will be of interest not only to Members of the Senate, but to the whole country, and I ask that the address be printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

This is the most important speech I have ever made.

Upon me at this moment rests the responsibility for how long this war will last; perhaps the fate of millions of men—their very lives.

Unless I can somehow pass this responsibility on to you, who represent such a large block of industry, and on to several hundred thousand American workers, I will have failed

those men; failed them at a time they most needed my support.

Worse than that, if I fail today to get this situation across to you and these workers, I will have failed all America—the twelve million in the armed forces, and the 10 times that number on the home front.

That is the reason for my earnestness today; that is why I believe this is the most important speech I have ever made.

This Nation has committed its troops to fighting the war in one specific fashion—with an overwhelming superiority of matériel.

We are a productive and resourceful people. Knowing our power to produce, we sent our men into war with this promise: You shall have an overpowering weight of everything it takes to win.

You shall have this weight because time and thus lives will be saved.

You shall have this weight because we would rather fire a ton of munitions than lose a single American soldier.

We, a productive people, elected to fight the war by that method. So far, we have made good on that promise; our tactics, our strategy, our victories have been shaped by it.

I have come here today to examine the current situation with you so that we may all see what it takes to live up to our part of the plan and to continue to make good the promise we made our men in uniform.

Now this war is like a giant balance. Onto one side of the scales the enemy throws the weight of his men and his matériel. Imagine with me that the indicator at the top of the balance points to the time on the calendar.

If you will look at the balance on December 7, 1941—the day of Pearl Harbor—you will see us very badly outweighed indeed.

Much of our fleet was out of action, most of our present Army was still in civilian clothes. We possessed exactly 1,157 airplanes suitable for combat and almost exactly the same number of usable tanks.

Then and there we set about to change the balance—to put the weight of men, and particularly of matériel, on our side.

I should like to tell you a little about the cost of not having the weight of matériel—what happens if the scales are against you for a long period.

The Russians had men but lacked matériel, lacked the sheer weight of arms. According to a report a few months after the turn came at Stalingrad, from June 22, 1941, when Hitler marched against Russia until June of 1943, the Russians paid for their lack of matériel with 4,200,000 killed and missing.

That was an appalling price. It's more than half of our whole Army. It would be nearly fatal to us.

Fortunately, we have not had to sacrifice our manpower while we were building our strength in matériel. Thanks to an almost incredible job of production by American industry, you made fighting matériel as fast as we could get fighting men ready to use it, and as fast as you could build ships to carry the men and matériel to the fighting fronts. When our troops met the enemy they were equipped to fight the war on our terms.

Let's take a good look at that kind of war:

It's on wheels. It's mechanized. It's in the air. It's on the ocean. And everywhere it's in overwhelming strength.

Since it started you have made: 1,800,000 trucks; 68,000 tanks; 2,800,000 big and medium guns; 15,000,000 machine guns and rifles; 43,000,000,000 rounds of ammunition; 43,400,000 bombs; 196,000,000 uniforms; 98,000,000 pairs of shoes of all kinds; 187,000 planes.

Based on any experience any country had ever had in any war, these and the thousands of other things you also made represent a magnificent achievement.

In the opinion of many, they should have been enough, but they are not enough for this war.

General Eisenhower's forces, General MacArthur's forces, General Richardson's forces, General McNarney's forces, are using some parts of the reserves we were able to build up before the fighting reached its present intensity faster than we can replace them.

Where, by reason of the superior mobility which our mechanization has given them, they have been able to discover the enemy's softest spots and where they have been able to hurl more tons against the enemy, they have been able to hurt him worst, advance our cause most, and save more of our own men's lives.

Proof that our kind of war pays off, lies in the men who will come home again as well as in the ground won. At Aachen, for instance, we were able, with the help of a very great concentration of fire from 105-millimeter howitzers and air bombing to capture the town at a relatively low cost in men.

Let me explain what I mean. As our troops moved forward, the town was divided into areas. Each area, just ahead of the troops, was smothered with shell fire to keep the Nazis pinned to whatever shelter they could find. With the lifting of that fire to another sector, our infantry moved forward to kill or capture the Nazis as they crawled out of their shelters.

We saved manpower by taking the town that way. We did not save artillery shells. We didn't try to.

At Aachen alone we fired 300,000 rounds of 105's.

And the same general tactics are working in the Pacific. To date, the Japs have lost over 277,000 men to our 21,000. One American soldier and his tons of supporting matériel to 13 Jap soldiers.

Today, both in Europe and in the Pacific, we are fighting with millions of men in the combat lines instead of the hundreds of thousands of last year and the year before.

There will be many Aachens ahead of us on both fronts; spots where we will throw everything America has at a groggy enemy, never letting him rest, never letting him get his head up day or night; throwing fresh men with fresh material at him from the front while the Air Forces batter his supply lines and factories in the rear.

Until we are heavy enough on our side of the balance to fight such battles with all armies on all fronts, we aren't ready to call the war in the bag.

This is the way, remember, America elected to fight this war. Our generals and our G. I.'s are carrying out the strategy America set for them, and they are doing it magnificently.

In short, industry, labor, the W. P. B., the W. M. C., and the Army Service Forces are on the spot. We, at home, are squarely up against the question of whether American productive capacity can deliver the increased quantity of goods to fight the kind of war America has elected to fight, can deliver these goods wherever they are needed, whenever they are needed, and in whatever quantities they may be needed. When you compare the weight we swing today with what we could muster 3 years ago today, the balance is undeniably shifting.

Had we been able, however, to have reached today's weight on December 6, 1943, we might be celebrating total victory now. Great as is our capacity, it was beyond our ability to do that.

Instead, we are just now coming against the full might of the concentrated weight which a desperate Germany and an even more desperate Japan can use to pit against us.

I will give you a few figures for comparison between our strength in 1942 and in 1944. But don't forget that Germany with its undeniable fiendish skill and efficiency is right now training thousands of fresh troops and turning out millions of tons of equipment for them.

By the end of 1942, we had a little over 1,000,000 Army men overseas; now we have nearly 5,000,000 men overseas—and that doesn't include the Navy, marines and Coast Guard.

The tempo is quickening—the fury more devastating. Our men are using supplies faster. They need new kinds of supplies.

Take the mortar shell, as an example. In north Africa our forces expended 42,000 rounds a month. In France, between September 20 and October 20, the First, Third, and Ninth American Armies alone expended more than 1,300,000 rounds of mortar ammunition. They fired more mortar shells every day than were used in a month in Africa. And there are four other armies fighting on this same front.

The other day a cable requisition came to Army Service Forces Headquarters in Washington from a general in the field. He asked for 80 different types of ammunition, 4,000,000 rounds of one kind; 10,000,000 of another; 5,000,000 of a third, and so on for four closely typed pages. That wasn't the only big ammunition order we were handling on that day, either. Add to the needs of this general those of others in Europe and throughout the world and you get a fair notion of the industrial job ahead of us.

The more weight we can have, when we need it, and where we need it, the sooner we shall be able to knock over Germany and Japan.

It is just a case of simple arithmetic.

More matériel equals fewer casualties, a shorter war.

What weight do we need? We need all the weight we can use. What additional weight must we have right now? How do we stand right now?

Make no mistake about our situation. They have supplies at the front right now. It's the future we must provide for. Our program is not lagging on all items. Even on the critical items many manufacturers are abreast of the schedules we have given them. Further, some of the demands are so recent that you could not be expected to have reached your maximum schedules in the time that has elapsed. That very fact merely emphasizes the urgency of our plight.

It is on these critical items, some of them new ones, that we must concentrate our efforts. Twenty-seven percent of all the programs are in this critical category. It is to this 27 percent we must give our thought and bend our energies. Though individual manufacturers can well take pride in their position if they are on or ahead of schedule, on a broad front we can find no comfort unless these critical shortages are met. For example, though all else may be up to schedule, what good is a truck without tires or a gun without ammunition or, for that matter, 50-caliber ammunition in abundance if ammunition is needed for big guns? We must have balance and to make our problem harder that balance is constantly shifting. We must meet these shifts; we must meet new and unforeseen demands. We must meet them when they are needed and continue to meet them until the last shot is fired.

We have explained our need to our two great labor organizations, the A. F. of L. and the C. I. O., and both have responded wholeheartedly, with prompt organization of recruiting services to assist us in plugging the holes we need to fill.

Government agencies involved in our production programs, especially the W. P. B. and the W. M. C., are acutely aware of our need. We are in complete agreement as to the urgency of our situation. Together we have outlined the steps we must take.

In a few minutes, Mr. Krug, who I am mighty happy to have in here pitching with me, will discuss these measures and the programs where extra effort is needed today.

I said at the beginning that it was my job also to see that several hundred thousand good American workers understand this problem. Who are these good American workers, over three hundred thousand of them?

They are ex-members of the home front industrial army, or workers who have not yet been in war production at all. They are members of the group of optimists who have already guessed that the war is about over. They have drifted away from the home front army of 10,400,000 war workers. They have taken a furlough or have come to believe their term of enlistment is over.

Over three hundred thousand is the number of additional workers our critical programs need to get up to schedule. We may need more later on.

So, we must reach these men and women now. We must get their help to turn out the weight they can add to the balance.

If every one of these workers decides today to go back to work on the production front this week it won't be long before Eisenhower and MacArthur will feel their support; it won't be long before there will be an upsurge of short items needed on the fighting fronts.

To date, we've had half a million casualties. Thank God not one has been because of short production! But, if we don't throw this extra weight of production into the scales now, right now, we may have to risk lives tomorrow that we never should risk. The lives are those of your sons and your brothers.

You see now what I mean by the importance of this speech.

If I fail, if you fail, if these needed workers fail, we face the justly accusing eyes of the men who are willing to die for us and who ask us only to give them the power to carry the fight to the enemy.

How much is enough?

There cannot be too much weight.

In a little over 3 months after D-day, the First, Third, and Ninth American Armies in France fired 300,000,000 rounds of small arms ammunition, 4,426,000 rounds of 105's, 1,248,000 rounds of 155's, 3,500,000 rounds of mortar shell. And I remind you again, there are four other armies on this front as well as still others in the Mediterranean and the Orient.

Since October 20, General Eisenhower has asked us for two-thirds of all our present mortar-shell output. Yet, General MacArthur, not to mention the other Pacific and Mediterranean fronts, has used more mortar shells on Leyte than in all his previous actions combined.

I told you earlier of the vast quantities of material you have delivered already. Let me give you another reason why we must make more, and still more.

In 1 month those same three American Armies in France lost from all causes 83 percent of their dump trucks, 50 percent of their mortars, 14 percent of their scout cars, 10 percent of their light and medium tanks. Multiply such losses by 12 months and you can see that our manufacturing output is far from being net gain in the weight we put in the balance.

I have had quite a little to say about the way we are using up the weight of our matériel in Europe—at an ever-increasing rate. We have two wars to fight. We are perhaps not yet in the full fury of the one in Europe. We are certainly not yet full-out against Japan.

You may be looking toward V-day in Europe as a day of let-down, a time to relax. Burn this thought into your minds. It takes more tons, hauled more miles by far, to destroy a Jap than it takes to destroy a Nazi. We will only transfer our energies after Hitler's Germany falls. We may even have to increase our output in many categories of materials. For instance, there are new weap-



ons now being made—weapons I can't tell all of you about—not yet in use in Europe. Those of you who make them, know them. They must be ready in large quantities for the Pacific pushes.

I would remind you that the Jap still has to be driven across half the continent of Asia to destroy him—that this may be necessary even if we conquer all or a part of his home islands first. That cannot be done bare handed.

It will cost us \$71,000,000,000 a year to fight the Jap after Germany is defeated.

We are going to give that war everything we have. We are going to hit the Jap with everything and every man we can get within reach of him; hit him with every ship, every plane, and every ground formation. That is the formula which will bring the most of our men home quickest. That is the only way to cut down the cost in lives and in dollars.

The war against the Jap alone will be the biggest war this country or this world ever fought before the present war.

The \$71,000,000,000 a year which will be expended against the Jap is greater than the value of all goods manufactured in the whole country in its busiest productive peacetime year, 1929.

Within the past 90 days we have had to increase by 25 percent our estimate of the production we believed we would need to fight the Japs after Germany is defeated.

We have more ahead of us today in the war against Japan than we faced in the whole of World War No. 1 in Europe. We will have to ship at least 4 tons to the Japanese front for every ton we shipped to Europe in World War No. 1.

I told you at the beginning that this was the most important speech I have ever made. It is important because I speak in this room to American industry—the greatest industry in the world, an industry that has given sword and shield and buckler to its fighting men. And I speak, through you, to the millions now making war goods so well, and to those 300,000 extra workers you and their fellow workers need tomorrow—today, if possible—in war plants.

It is important because in this room is the power to add weight to the balance, to shorten the war, to save lives.

Because now, this minute, American productive force for the first time may fall our fighting forces.

Because for the first time industry and its workers are not making munitions as fast as munitions are being used up.

Because on all fronts the Allies are pouring on everything they have.

Because our enemies are fighting more desperately than ever before.

Because we planned this war to use up munitions to save men's lives and, with more than 12,000,000 men under arms, with over half of them overseas, we are committed to backing them up with everything America has.

I wish you would pick up your next newspaper and take a pencil out of your pocket.

Turn to the casualty list. Say this to yourself:

"If we could somehow, some way, have thrown in another ton of steel, I could mark a name off this list. If we can supply enough tons, in enough places, we can replace the list with news of final victory." Today all victory leads to is another battle. The final battle is the one we must win.

In closing here today, I want to urge upon you this thought.

As long as the Nation is at war, on one front or two, planning for war, producing for war, fighting the war is the Nation's business and its only business. We must win before we can reap the fruits of victory. You can't beat the gun in this race, and I know you don't want to try to do so.

Our enemies are tough, they are desperate. Their objective was to destroy us. It is still their objective. War is their single purpose. What reason have you to believe that they will not continue to fight? Why won't they defend their homeland with the same, yes even more, desperate fanaticism than they now show on every front.

After Pearl Harbor, we rose in indignation and in wrath. Our objective was to crush our enemies. That is still our objective. And, if we are to achieve it, war until the end must be our single purpose.

After Pearl Harbor, all were imbued with a determination, a selflessness, a high purpose which carried us to peaks of production hitherto undreamed of. From January to August of this year, production then scheduled continued to decline; to decline in the face of the efforts many of us made to stem the tide. During that period, new demands for still more production added to our deficit. Since August, production has again been on the increase. The increase, though not what we would have liked, was gratifying. Since August still other new demands have developed. We must have more. We cannot delay, we must meet these new demands as well as the deficits that have accumulated. We must meet them now.

American industry and American workers must rededicate themselves, here and now, to an upsurge of production on the home front so that our forces on all fronts shall be limited in their use of matériel only by our ability to get it to them and by elbow room on the fighting fronts in which to use it.

The kind of war we shall fight is in the balance. The decision as to the weight we shall throw into the scales is your decision—and this is the time for decision. I know what it will be.

#### SOCIAL SECURITY: INSURANCE OR DOLE— RADIO ADDRESS BY SENATOR WAGNER

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a radio address on the subject Social Security: Insurance or Dole, delivered by him from Washington, D. C., on December 5, 1944, which appears in the Appendix.]

#### RIVER AND HARBOR IMPROVEMENTS

The Senate resumed the consideration of the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The VICE PRESIDENT. The clerk will state the pending amendment.

The CHIEF CLERK. On page 22, beginning with line 1, it is proposed to insert the following:

Beaver and Mahoning Rivers, Pa. and Ohio; from the Ohio River to Struthers in accordance with the recommendations of the Chief of Engineers for this section of waterways, in the report submitted in House Document No. 178, Seventy-sixth Congress: *Provided*, That compliance with the conditions of local co-operation shall be limited to those features that are usable in this section of the waterway.

The VICE PRESIDENT. The clerk will read the unanimous-consent agreement. The legislative clerk read as follows:

*Ordered*, By unanimous consent, that on Wednesday, December 6, 1944, at not later than 1 o'clock p. m. the Senate proceed to vote on the pending amendment (Beaver and Mahoning River projects) and all amendments thereto.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). The question is on agreeing to the amendment reported by the committee.

Mr. BURTON. Mr. President, I made an extended statement yesterday respecting this amendment. I wish to make an extremely brief one today. This committee amendment presents a proposal which has already been approved by Congress. It does, however, require action in the present form so as to include minor engineering improvements, and an increase in the Federal expenditure by one and one-half million dollars, as recommended by the Board of Engineers in response to the previous request of the Congress. The project's revised cost as a Federal expenditure will be \$38,500,000; its over-all cost will be less than before, being \$42,400,000 instead of \$47,000,000.

The history of this project I gave in detail yesterday. It demonstrates the unflinching approval which it has received whenever acted upon by the Board of Engineers or by a committee of Congress. It has been approved in the several steps of its development by two boards of engineers, by three Chiefs of Engineers; it has been approved twice by the Committee on Rivers and Harbors of the House, twice by the Committee on Commerce of the Senate. It has been passed once by the House and passed once by the Senate in its previous form.

Finally on its merits, the need and justification of this project is clear. Because of the excessive rail rates, the present charge for transporting coal to Youngstown partly by rail and partly by water is three times what it would be if done all by water; and for the distance where the proposed canal will replace rail transportation, the present rail rates are about seven times what they would be by water. It is an outstanding case of exaggerated rail charges.

The ratio of economic benefits was found to be favorable by the engineers, and today the ratio is substantially stronger than when it was computed by the engineers.

The committee in supporting this amendment asks only that the same public policy be applied to the Beaver-Mahoning branch of the headwaters of the Ohio River as has been applied to its other branches. It is approved by the Committee on Commerce, and I hope the Senate will today approve it as a part of the bill.

Mr. DAVIS. Mr. President, in discussing this amendment on the floor of the Senate yesterday, I stated that the cost of this project to the taxpayers of America would run to approximately \$70,000,000. The accuracy of that statement was almost immediately questioned by both Senators from Ohio.

In order to clarify the matter, and in order to establish the validity of the figure which I cited yesterday, I quote now from page 2, paragraph 5, of the minority views of the committee which considered this amendment:

The estimated Federal cost of this project is \$38,500,000 and with an annual maintenance charge of \$630,000 for this 35-mile-long dead-end canal. There is a further cost of approximately \$30,000,000 to be borne by local contributions. In all, this project will need \$70,000,000 for construction, and an estimated \$630,000 for yearly maintenance.

Mr. President, I feel that this statement of minority views represents a sound, iron-clad, and comprehensive case against the construction of this proposed project. It had been my intention to discuss a number of these points during the debate today, but in order to conserve the time of the Senate, I ask unanimous consent that the portion of the minority views dealing with the Beaver-Mahoning project may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the excerpt from the minority views was ordered to be printed in the RECORD, as follows:

The Beaver-Mahoning Rivers: This project envisions the construction of a 12-foot channel, 200 to 250 feet wide in the Beaver and Mahoning Rivers in the States of Ohio and Pennsylvania. It was the original intention that this project should connect the Beaver-Mahoning Rivers with Lake Erie, but that idea has been abandoned, at least for the present time. In this bill the project calls for the construction of a dead-end channel from the point where the Beaver-Mahoning Rivers enter the Ohio River, to a point 35 miles north at Struthers, Ohio, in the Youngstown area. The main object of this project is to provide a navigation channel from the Ohio River to Struthers, apparently to enable the large steel companies in the Youngstown area to obtain their coal supply by water transportation, in contrast to the present method of unloading the coal barges at a point on the Ohio River into railroad freight cars, and then hauling by railroad the 35 miles north to Youngstown. The estimated Federal cost of this project is \$38,500,000 and with an annual maintenance charge of \$630,000 for this 35-mile-long dead-end canal. There is a further cost of approximately \$30,000,000 to be borne by local contributions. In all, this project will need \$70,000,000 for construction, and an estimated \$630,000 for yearly maintenance.

In figuring the estimated subsidized water transportation rates as compared with the existing railroad rates, it must be borne in mind that the railroad rates—as pointed out earlier in this report—are based on total construction cost and maintenance of railroad bed and trackage, plus equipment costs and operating charges, whereas the rates on subsidized water-borne traffic are based solely on floating equipment cost and their operating charges.

The minority is reliably informed that the cost of a new double-track railroad from a loading point on the Ohio River up the 35 miles to Youngstown would be between fifteen and twenty million dollars, and it must be evident to all that if the Government built this railroad for this sum and maintained it at an annual cost of not exceeding \$130,000, that some \$50,000,000 would be saved in construction costs as compared with the waterway, and some \$500,000 annually in maintenance costs, and if the railroads were permitted to operate their equipment over this federally built and maintained railroad without any charge, as in the case of the waterway, the per-ton freight rate would be considerably less than that estimated for the water-borne transportation system with positive, dependable operation all the year round.

It must be clearly understood that the signer of this minority report is not advocating the construction of this federally owned railroad, but merely using the suggestion as a comparison to illustrate the inequality of the basis of calculation for freight rates as between the two systems. The member of the Commerce Committee submitting this minority report holds no brief for the railroads, but does hold a brief for the taxpayers of the country.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 22 beginning with line 1.

Mr. GUFFEY. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHITE (when Mr. WILEY's name was called). I am asked to announce the necessary absence from the Senate on official business of the junior Senator from Wisconsin [Mr. WILEY].

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from Nevada [Mr. McCARRAN] and the Senator from Utah [Mr. MURDOCK] are detained on official business for the Senate.

The Senator from Florida [Mr. PEPPER] is absent on important public business. I am advised that if present and voting he would vote "nay."

The Senator from Kentucky [Mr. BARKLEY] and the Senator from New Mexico [Mr. CHAVEZ] are unavoidably detained.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Idaho [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Georgia [Mr. GEORGE], the Senator from Nevada [Mr. SCRUGHAM], the Senator from Utah [Mr. THOMAS], the Senator from Missouri [Mr. TRUMAN], the Senator from Washington [Mr. WALLGREN], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent. I am advised that if present and voting the Senator from Florida [Mr. ANDREWS] and the Senator from Georgia [Mr. GEORGE] would vote "nay."

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Maine [Mr. BREWSTER], the Senator from Oklahoma [Mr. MOORE], and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The Senator from New Jersey [Mr. HAWKES] and the Senator from Idaho [Mr. THOMAS] are necessarily detained. If present these Senators would vote "nay."

The Senator from Illinois [Mr. BROOKS] is necessarily absent. If present he would vote "nay." He is paired with the Senator from Minnesota [Mr. SHIPSTEAD], who would vote "yea."

The result was announced—yeas 16, nays 52, as follows:

## YEAS—16

Ball	Ellender	Nye
Burton	Gurney	O'Mahoney
Bushfield	Hayden	Overton
Capper	Holman	Taft
Connally	McClellan	
Downey	Millikin	

## NAYS—52

Aiken	Hall	Reynolds
Austin	Hatch	Robertson
Bankhead	Hill	Russell
Bilbo	Jenner	Stewart
Buck	Johnson, Colo.	Thomas, Okla.
Butler	Kilgore	Tunnell
Byrd	La Follette	Tydings
Caraway	Lucas	Vandenberg
Chandler	McFarland	Wagner
Clark, Mo.	McKellar	Walsh, N. J.
Cordon	Maloney	Weeks
Danaher	Maybank	Wheeler
Davis	Mead	Wherry
Eastland	Murray	White
Ferguson	O'Daniel	Willis
Gerry	Radcliffe	Wilson
Green	Reed	
Guffey	Revercomb	

## NOT VOTING—27

Andrews	Gillette	Scrugham
Bailey	Glass	Shipstead
Barkley	Hawkes	Thomas, Idaho
Brewster	Johnson, Calif.	Thomas, Utah
Bridges	Langer	Tobey
Brooks	McCarran	Truman
Chavez	Moore	Wallgren
Clark, Idaho	Murdock	Walsh, Mass.
George	Pepper	Wiley

So the amendment of the committee was rejected.

## PURCHASE OF LOGS, LUMBER, AND OTHER FOREST PRODUCTS

The PRESIDING OFFICER (Mr. MAYBANK in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 2185) to authorize the Secretary of the Interior, in carrying out the purposes of the act of May 18, 1916 (39 Stat. 137), to purchase logs, lumber, and other forest products, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. O'MAHONEY. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. O'MAHONEY, Mr. THOMAS of Oklahoma, Mr. WHEELER, Mr. LA FOLLETTE, and Mr. SHIPSTEAD conferees on the part of the Senate.

## APPOINTMENT OF TWO ADDITIONAL ASSISTANT SECRETARIES OF STATE

Mr. CONNALLY. I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate now consider a bill authorizing the appointment of two additional Assistant Secretaries of State. It is rather an urgent matter, and I do not think it will entail any discussion.

Mr. AIKEN. Is it a noncontroversial bill?

Mr. CONNALLY. It is.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none. The clerk will state by title for the information of the Senate the bill referred to by the Senator from Texas.

The CHIEF CLERK. A bill (H. R. 4311) to authorize the appointment of two additional Assistant Secretaries of State.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments, on



page 1, line 3, after the words "Department of State", to insert "beginning immediately"; and on line 4, after the words "period of", to insert the words "the emergency and not to exceed", so as to make the bill read:

*Be it enacted, etc.,* That there shall be in the Department of State, beginning immediately for the period of the emergency and not to exceed 2 years following the cessation of hostilities, two additional Assistant Secretaries of State, each of whom shall be appointed by the President by and with the advice and consent of the Senate, and who shall serve without numerical designation of rank.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

#### RIVER AND HARBOR IMPROVEMENTS

The Senate resumed the consideration of the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The **PRESIDING OFFICER**. The clerk will state the next committee amendment passed over.

The **CHIEF CLERK**. On page 35, after line 23, it is proposed to strike out:

SEC. 4. The excess-land provisions of the Federal reclamation laws shall not be applicable to lands which will receive a water supply from the Central Valley project, California, reauthorized by section 2 of the River and Harbor Act approved August 26, 1937.

Mr. LA FOLLETTE. Mr. President, I wish to make a brief statement in connection with the pending amendment. I believe the committee is to be commended for having stricken the language known as the so-called Elliott rider. The question involved is one of fundamental change in the land policy of the United States, which goes back in an unbroken record to the Preemption Act. The action of the committee is in conformity with the action taken by the Senate in regard to matters affecting the irrigation laws in connection with the flood-control bill. Those amendments were referred to the Committee on Irrigation and Reclamation, where they could have the study of the committee which has jurisdiction over such legislation. I believe the Senate feels, in view of that action, that legislation affecting the land policy of the United States, and particularly the portion of the policy designed to maintain and encourage the development of the family-sized farm in the United States, should not be altered or changed or compromised except after the most meticulous consideration and for the most persuasive reasons.

Therefore, I trust that the conferees on the part of the Senate will bear that in mind when the pending bill is in conference.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendment on page 35, beginning in line 24.

The amendment was agreed to.

The **PRESIDING OFFICER**. The clerk will state the next committee

amendment which has been passed over.

The next amendment passed over was, on page 36, after line 3, to insert:

SEC. 4. In connection with dams or works authorized by this act which the Secretary of War determines, upon the recommendation of the Secretary of the Interior, may be utilized for irrigation purposes, the Secretary of the Interior is authorized to construct, operate, and maintain, under the provisions of the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), such additional works as he may deem necessary for irrigation purposes. Such irrigation works may be undertaken only after a report and findings thereon have been made by the Secretary of the Interior as provided in said Federal reclamation laws and upon the authorization by the Congress; and, within the limits of the water users' repayment ability, such report may be predicated on the allocation to irrigation of an appropriate portion of the cost of structures and facilities used for irrigation and other purposes. Dams and works authorized by this act may be utilized for irrigation purposes only in conformity with the provisions of said Federal reclamation laws and this paragraph.

Mr. OVERTON. In lieu of that amendment, I offer the amendment in the nature of a substitute which now lies on the desk.

The **PRESIDING OFFICER**. The amendment in the nature of a substitute offered by the Senator from Louisiana to the committee amendment will be stated.

The **CHIEF CLERK**. In lieu of the committee amendment, beginning in line 4, page 36, it is proposed to insert the following:

SEC. 4. Hereafter whenever the Secretary of War determines, upon recommendation by the Secretary of the Interior, that any dam and reservoir project operated under the direction of the Secretary of War may be utilized for irrigation purposes, the Secretary of the Interior is authorized to construct, operate, and maintain, under the provisions of the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), such additional works in connection therewith as he may deem necessary for irrigation purposes. Such irrigation works may be undertaken only after a report and findings thereon have been made by the Secretary of the Interior as provided in said Federal reclamation laws and after subsequent specific authorization of the Congress by an authorization act; and, within the limits of the water users' repayment ability, such report may be predicated on the allocation to irrigation of an appropriate portion of the cost of structures and facilities used for irrigation and other purposes. Dams and reservoirs operated under the direction of the Secretary of War may be utilized hereafter for irrigation purposes only in conformity with the provisions of this section, but the foregoing requirement shall not prejudice lawful uses now existing. This section shall not apply to any dam or reservoir heretofore constructed in whole or in part by the Army engineers, which provides conservation storage of water for irrigation.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Louisiana.

Mr. HATCH. Mr. President, when the substitute was first offered the other day, I raised some question about it, because it had just been presented from the floor and I had not had an oppor-

tunity to study it. Since that time I have not only studied the substitute but I have conferred with officials of the Bureau of Reclamation. Everyone seems convinced that the substitute is really better than the committee amendment, and that the substitute proposal should be adopted.

However, Mr. President, one slight amendment is desired. It will only emphasize language already contained in the substitute. I call the attention of the Senator from Louisiana to the following amendment which I now propose: In line 14 of the substitute, after the word "with" insert "the Federal reclamation laws and." That will make that part of the sentence read, "in conformity with the Federal reclamation laws and the provisions of this section."

Mr. OVERTON. Mr. President, there is no objection to the amendment. I think it is wholly unnecessary, but there is no objection to it.

Mr. MILLIKIN. Mr. President, I could not hear what the proposed amendment to the substitute is. Will the Senator from New Mexico be kind enough to state it again?

Mr. HATCH. I point out to the Senator the amendment as it would appear in the bill. It merely emphasizes the first line, but it makes no change.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment of the Senator from New Mexico to the substitute amendment offered by the Senator from Louisiana to the committee amendment beginning in line 4 on page 36.

The amendment to the amendment was agreed to.

The **PRESIDING OFFICER** (Mr. LUCAS in the chair). The question now is on agreeing to the substitute amendment, as amended, to the committee amendment on page 36, inserting a new section 4.

The substitute amendment, as amended, to the committee amendment was agreed to.

The **PRESIDING OFFICER**. The next committee amendment which has been passed over will be stated.

The next passed over amendment was on page 37, after line 8, to insert:

SEC. 6. Electric power and energy generated at projects authorized by this act and in the opinion of the Secretary of War not required in the operation of such projects shall be delivered to the Secretary of the Interior, who shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Federal Power Commission. Preference in the sale of such power and energy shall be given to public bodies and cooperatives: *Provided*, That the Secretary of the Interior is not authorized to construct or acquire transmission lines in competition, direct or indirect, with any existing company operating transmission lines for the sale of electric power; except as otherwise authorized by other sections of this act relating to Umatilla Dam and the Snake River project.

Mr. OVERTON. Mr. President, as a substitute for that amendment I offer the amendment which lies on the desk.

The **PRESIDING OFFICER**. The amendment in the nature of a substitute,

offered by the Senator from Louisiana, to the committee amendment, will be stated.

The CHIEF CLERK. In lieu of the committee amendment on page 37, beginning in line 9, it is proposed to insert the following:

Sec. 6. Electric power and energy generated at reservoir projects under the control of the War Department and in the opinion of the Secretary of War not required in the operation of such projects shall be delivered to the Secretary of the Interior, who shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Federal Power Commission. Preference in the sale of such power and energy shall be given to public bodies and cooperatives. The Secretary of the Interior is authorized to construct and acquire only such transmission lines and related facilities as may be necessary in order to make the power and energy generated at said projects available in wholesale quantities for sale on fair and reasonable terms and conditions to facilities owned by the Federal Government, public bodies, cooperatives, and privately owned companies.

Mr. OVERTON. Mr. President, since I have offered the substitute amendment I have consulted with two or three Senators and with the Department of the Interior. It is desired that an exception be made in respect to the Umatilla Dam and the Snake River project.

Mr. HOLMAN. Mr. President, I am unable to hear the Senator who is speaking.

Mr. OVERTON. I assure the Senator it is not my fault. There is too much confusion in the Chamber.

I was making the observation that since I submitted the substitute amendment a request has come to me from the Department of the Interior and from several Senators to make an exception with respect to the Snake River project and the Umatilla Dam, so that the provisions of this section will apply to all dams, except as may be otherwise provided in this bill in respect to those two dams.

I do not think the substitute amendment offered by me affects the Umatilla Dam and Snake River project, and I have so advised the Secretary of the Interior and the Senators who are interested. However, I have no objection to the suggested modification; and therefore I am modifying my amendment, in the beginning, after "Sec. 6" and before the word "Electric", by inserting:

Except as may be otherwise authorized by other sections of this act relating to Umatilla Dam and the Snake River project,

Then the section as recommended will apply to all dams, except as may be otherwise provided for the Snake River project and the Umatilla Dam.

Mr. AIKEN. Mr. President, will the Senator yield to me for a question?

Mr. OVERTON. I yield.

Mr. AIKEN. As I understand the amendment, it means that the Secretary of the Interior is authorized to construct and acquire only such transmission lines and related facilities as may be necessary. Suppose the existing facilities agreed to transmit the power at their

regular rates, but the Secretary of the Interior found that by constructing the lines the power could be transmitted for a considerably lesser cost to the consumers. Would he then be authorized to construct a line?

Mr. OVERTON. He could construct transmission lines for the sale of current from the dams at wholesale prices. I do not think there is any particular limitation to that authority, except as contained in the language "wholesale prices." He is also instructed to do so in order to bring about as wide a distribution of electric current and energy as possible.

Mr. AIKEN. And on fair and reasonable terms, I believe.

Mr. OVERTON. Yes; on fair and reasonable terms.

Mr. AIKEN. And if any existing line attempted to hold him up on the price for transmitting it, then he would be at liberty, would he not, to go ahead and construct a line himself?

Mr. OVERTON. That is my interpretation of it.

Mr. AIKEN. That is what I thought the interpretation would be, and what I hoped it would be.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. MILLIKIN. I should like to ask the distinguished Senator from Louisiana how the amendment would change, if it would change, the language of the committee amendment on the subject as it is contained in the bill.

Mr. OVERTON. The language of the substitute would be changed in the form which I have asked to have modified.

Mr. MILLIKIN. Yes.

Mr. OVERTON. I have asked to modify the substitute amendment by inserting after "Sec. 6," the words "Except as may be authorized by other sections of this act relating to Umatilla Dam and the Snake River project."

Mr. MILLIKIN. The exception would apply to the substitute.

Mr. OVERTON. Yes. The reason why the insertion was made in the original committee amendment is that otherwise there could be, under its terms, an interference with the distribution of power from the Snake River and Umatilla Dam. My substitute amendment would not interfere whatever, because it would permit the Secretary of the Interior to build transmission lines for the sale at wholesale rates of power generated at the Snake River project and the Umatilla Dam.

Mr. HILL. Mr. President, I understand the amendment is practically in the language of the one which the Senate adopted with reference to the construction of transmission lines under the flood-control bill, with the exception that the amendment would not apply to the Umatilla Dam and Snake River project. It would carry out the policy provided in the flood-control bill, namely, giving to the Secretary of the Interior the right to build transmission lines where they may be necessary in order to afford preferences to municipalities, public agencies, and farmer cooperatives in assuring a fair and equitable distribution of power

at the fairest and most reasonable rates. I strongly favor the adoption of the amendment.

Mr. President, the power policy of the Federal Government has not been developed capriciously. It has been hammered out by the Congress in bill after bill relating to the Federal construction of water control and conservation projects and the regulation of interstate streams. The core of that Federal policy is that the benefits of power development at Federal projects shall not be monopolized by limited groups but that those benefits shall be widely distributed. This policy respecting the disposition of the people's power property on the basis of the general welfare has its roots in the earliest history of our country. There were those in the early days who sought to sell the public lands in the public domain to the highest bidder, to the men or companies that could put up the most ready cash. That policy bred land monopoly and the monopolization of the resources derived from the land—both on and under the earth. That policy was repudiated in the homesteading policy of selling our public land and resources for the benefit of the greatest number. Upon the policy of homesteading our Nation has grown big and great and our resources have been kept from being monopolized by the powerful few. Under that policy the Northwest territory, Ohio, Indiana, Illinois, the great Middle West was settled—settled by farmers who work the land and reap its benefits.

So, too, with our power resources we have sought to assure that they will not become enmeshed in the empires of the monopolists but that they will be available to develop the industry and agriculture of our Nation and to lighten the burden of the housewife. We have enacted into law again and again a policy of giving preference to public agencies, municipalities and cooperatives in the sale of the people's power resources, developed at Federal dams. The Senator from Kentucky [Mr. BARKLEY] remarked on Wednesday that the first such preference was started in an amendment to the Reclamation Act in 1906. It was reiterated in vigorous language in the Raker Act in 1913 which gave public lands to the city of San Francisco for use in connection with a water and power development. It has in recent years been enacted in the reclamation laws, in the T. V. A. Act, the Bonneville Act, and the Fort Peck Act. This policy has resulted from the efforts of the Congress to combine the sound tradition of our Nation, to foster business, aid the farmer, and make the benefits derived from Government expenditures available to all of the people.

There are two sound policy reasons for combining this policy of giving preference and priority to public agencies in the distribution of federally developed power and for building the necessary transmission networks to implement that preference and priority and to make it effective.

First, it is sound business for the Government to sell its power to more than one distributor. If the Government is required to sell merely to the one large



utility in the vicinity that can afford to build a line to the Government's dam, that utility will be able to dictate the terms upon which the power may be sold by the Government. It can dictate the price at which the power will be sold. No businessman would want to be in such an anomalous position. No wholesaler in business would want to depend upon a single outlet for the distribution of his product if he would remain in business.

The sale of power through public agencies and nonprofit organizations, moreover, means the sale of more power. It means the fuller and speedier development of the power resources of the Government and the consequently greater repayment to the Treasury of the costs of the projects. It means this because public agencies and nonprofit distributors sell power on a basis that results in the widest use of power and its heavy consumption in the home and on the farm and in the factory. The effect of low-cost power on consumption has been demonstrated again and again. The T. V. A. has given us an outstanding example of the greater use of power through the reduction in its price. Similarly, in the Northwest the results of the low-cost power, at Bonneville and Grand Coulee, are shown in the tremendous per capita use of electricity in those areas.

Let me state this in figures. I shall use State averages of both public and private companies so as not to confuse the point I am making that lower costs, whether public or private, means a greater use of power. The average residential use of power in the Nation as a whole in 1943, according to figures from the Edison Electric Institute, was 1,070 kilowatt-hours. The average price was  $3\frac{1}{10}$  cents. That is the average use and price throughout the Nation from public and private retailers. In the State of Tennessee, both private and public retailers sold 1,672 kilowatt-hours to the average customer at a cost of  $2\frac{3}{100}$  cents. More than half again as much use of power in Tennessee over the average for the country—at less than two-thirds the cost. In the State of Washington, where Grand Coulee and Bonneville Dams sell power to both public agencies and private utilities at wholesale over a great publicly owned transmission grid, the average use of power by the domestic consumer is 2,327 kilowatt-hours or more than twice the national average—the cost of power to the consumer is  $1\frac{3}{4}$  cents or just less than half of the average national figure. I cite these figures because I think them pertinent to the point that the use of power goes up as the price goes down. A further extension of this point may be found in Winnipeg, Canada, where the average use of power is about five times the average in this country and the average price is about a fourth of our national average.

As long as power can pay a part of the cost of multiple-purpose water developments; as long as our rivers are uncontrolled and lay waste lives and property; as long as navigation and irrigation are needed in the building of America—we must combine the policy of giving pref-

erence and priority to public agencies and farmers' cooperatives in the sale of Federal power. For that sale of power will stimulate greater demand for power that helps in paying for multiple-purpose developments.

The sale of public power through agencies that do not place excessive tolls upon this power before it reaches the ultimate consumer is good business. It means that the Government's power will be sold steadily, and that the Government will receive a constant income. It means further multiple-purpose developments where these developments depend upon additional power installations. As a business proposition, therefore, it would be unthinkable to place the negotiators for the Government behind the eight ball of a policy that would hamstring them and require them to sell through private power companies exclusively, power that public agencies and farmers' cooperatives are eager to buy.

The Government has also launched on a popular and sound policy of lending money to farmers' rural electrification cooperatives to bring the light of our electric-power civilization to the far corners of our rural areas. That policy is sound in peace and in war. The labor-saving devices made possible by rural power have enabled our patriotic American farmers to carry on the greatest food-and-fiber production load in the history of this or any other nation, and to do so with fewer farmers and farm helpers. More than 4,000,000 people have left the farms of this country in the past few years and yet our farmers are producing more necessities of war than ever before. The lowly electric motors—pumping water, milking cows, grinding feed, and carrying forward the other chores of rural living—have helped to make this miracle of production possible.

The loans that have been made to these farmers are paid back—they are a sound business proposition.

But they are sounder if the cost of power to the cooperative is lower. Why should publicly produced power not be made available at cost to publicly financed cooperatives? To do so is sound business. The figures of the Rural Electrification Administration show that the cooperatives bought power cheaper from public agencies than from private utilities. For the Nation as a whole the cooperatives paid an average of  $1\frac{1}{400}$  cents per kilowatt-hour for power from private sources, whereas the average cost of public power was sixty-eight one-hundredths of 1 cent. Indeed, the figures of the R. E. A. for 1943 show clearly that by and large the cheapest power was bought from public agencies. For instance, the lowest rate for large cooperatives purchasing more than 3,500,000 kilowatt-hours was from a public agency. It was forty-one one-hundredths of 1 cent. The highest rate for such purchasers was from the Tidewater Power Co. in North Carolina, and the price was  $13\frac{1}{100}$  cents, or 219 percent higher.

Bonneville, T. V. A., the Bureau of Reclamation, and other Federal suppliers have given the farmers' cooperatives

power at low rates. This has been good business for the Government both as a power supplier and as a banker for the cooperatives. I would not now want to abandon that sound business policy. The Government's transmission line is like a public highway that brings the benefits of multiple-purpose projects to farmers, to householders, and to businessmen alike. The Senate should accept no amendment that would require that this power be sold over a private toll road. Such a policy would bog down the sale of Government power except to the monopoly operating in the area of the dam. It would not be good business for the Government.

My first reason for our traditional policy of giving preference to public agencies and providing transmission lines to implement those preferences was that it was good business. My second reason is that it is good government. It has been shown to be good government not merely in these past few years but since the earliest stages of public power development. It has been good government throughout the time that Congress has reiterated its position that the people's power should be made available to the people on a basis that will not result in excessive tolls or in the monopolization of the benefits of that power by a favored few.

In the past few years we have seen the concept of the multiple-purpose project blossom out into the sound multiple-purpose development of an entire river basin. I cannot believe that anyone who has seen the results of the comprehensive plan and program of the Tennessee Valley Authority would ever want to go back to the anarchy that prevailed over the waters of the Tennessee River in the past. I cannot believe that anyone who has seen the drudgery of the farmers and the farmers' wives lifted from their shoulders by the advent of rural electrification upon their farms would ever again want to return to the period of kerosene lanterns that prevailed when power companies skimmed the cream of the rural business and left the more isolated farmers to fend for themselves in what was literally the Dark Ages on the farm.

It is good government to provide for the multiple-purpose development of our rivers so that they may carry the commerce of our Nation through their navigation works, so that they may no longer waste the lives and property of our people through destructive floods, so that they may irrigate our arid lands, and so that their falling waters may produce power for the benefit of our people. It is good government to see that all of these benefits are widely spread among our people and that none of them are made the possession of the few. It is good government to see that Federal power is made available throughout the area of its economic transmission—to lower the cost of farming, to lower the cost of running the home, and to lower the cost of making goods and providing services in industry and business.

For in the transmission of its abundant supplies of low-cost power the Federal Government is providing a means

for decentralizing industry and for achieving a balance between the town and country, between agriculture and industrial production. The day of industrial concentration with its slums, its health hazards, its poor living standards, is reaching its twilight. The availability of abundant supplies of low-cost electric power that results from the development of our country's water resources is bringing about a new era of industry scattered throughout the land, benefiting all regions, all groups, all people in our great Nation. Low-cost power is intensifying the effective use of our civilization just as surely as our low-cost public highways extended that civilization. Indeed, the transmission lines that bring abundant low-cost public power to every hamlet are the new highways over which this country will progress and over which the undeveloped regions may reach a fuller use of their manpower and their resources. Yes, it is good government to continue our present sound policies for the distribution of power produced at Federal developments.

Because it is good business and good government to sell Federally produced power in a manner that will prevent its monopolization and that will spread its benefits widely among the people, I am opposed to any amendment that would restrict sales of power to the site of the dams. I favor giving preference to municipalities, public agencies, and farmer cooperatives. Where it is necessary for the Government to construct transmission lines for such preference to be enjoyed, I strongly favor such construction by the Government. I was very much gratified over the action of the Senate in providing for such construction in the flood-control bill and I urge similar action on the pending bill by the adoption of the pending amendment.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Louisiana [Mr. OVERTON] in behalf of the committee, in lieu of the committee amendment on page 37, after line 8.

The modified amendment to the amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. OVERTON. Does that complete the committee amendments?

The PRESIDING OFFICER. That completes the committee amendments. The bill is before the Senate and open to further amendment.

Mr. TYDINGS. Mr. President, within a few minutes I shall have to go to a physician, and I should like to offer several small amendments which would merely authorize surveys to be made on five small streams in the State of Maryland. I should appreciate it if the amendments could be considered at this time and disposed of. No appropriations are asked for. The amendments merely provide for examinations and surveys.

The PRESIDING OFFICER. The clerk will state the first amendment offered by the Senator from Maryland.

The CHIEF CLERK. On page 42, after line 5, it is proposed to insert the following:

Crisfield Harbor, Md.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Maryland.

The CHIEF CLERK. On page 42, after line 10, it is proposed to insert the following:

Bear Creek and Lynch Cove, Md.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Maryland.

The CHIEF CLERK. On page 43, after line 13, it is proposed to insert a new paragraph, as follows:

Governors Run, Calvert County, Md., with a view to providing a harbor for small boats.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Maryland.

The CHIEF CLERK. On page 43, after line 13, it is proposed to insert a new paragraph, as follows:

Channel between Ramsey Bay and Chesapeake Bay, and other measures for the prevention of damage from erosion near the mouth of South River, Anne Arundel County, Md.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

Mr. DOWNEY. Mr. President, I have an amendment lying on the desk affecting two survey items only, one on the Napa River, Calif., and one on the Noyo River, Calif. I ask that they be read by the clerk.

The PRESIDING OFFICER. The first amendment will be stated.

The CHIEF CLERK. On page 55, after line 10, it is proposed to insert:

Noyo River, Calif.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the Senator from California will be stated.

The CHIEF CLERK. On page 55, after line 10, after the amendment heretofore agreed to, it is proposed to insert:

Napa River, Calif.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I ask to have the attention of the able Senator from Louisiana, I offer an amendment with which he is familiar, and which would remove certain obstacles in the St. Marys River. The amendment is based on the recommendation of the Chief of Engineers dated September 18, 1944, which reached us after the Senate Committee on Commerce had concluded its consideration. I am inclined to believe that the able Senator from Louisiana agrees with the amendment and that it will be taken to conference.

Mr. OVERTON. The Senator is correct. I understand that it is very emergent. I have been so advised by the engineers. So far as I know, there is no conceivable objection to it on the part of anyone.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 23, after line 15, it is proposed to insert the following:

St. Marys River, Mich., South Canal; in accordance with the report of the Chief of Engineers dated August 14, 1944, and contained in House Document No. 679, Seventy-eighth Congress, second session.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan.

The amendment was agreed to.

Mr. WHERRY. Mr. President, on behalf of the Senator from New Jersey [Mr. HAWKES], who is necessarily absent from the Chamber, I offer an amendment which I ask to have read. I understand that the amendment is not controversial in any way.

Mr. OVERTON. I have no objection to the amendment. I know what it is.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 41, after line 5, it is proposed to insert:

Sandy Hook Bay, N. J., with a view to providing a channel to, and navigation improvements at, Leonardo.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. WHERRY] on behalf of the Senator from New Jersey [Mr. HAWKES].

The amendment was agreed to.

Mr. HILL. Mr. President, I offer an amendment which would merely authorize a preliminary examination and a survey. It is an amendment about which I have spoken to the distinguished senior Senator from Louisiana [Mr. OVERTON], and it is perfectly agreeable to him.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 49, after line 23, it is proposed to insert:

Columbus, Ga. to Pensacola, Fla.; waterway via Chattahoochee, Conecuh, and Escambia Rivers.



The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama.

The amendment was agreed to.

Mr. BYRD. Mr. President, I offer an amendment providing for a survey. I have discussed the amendment with the able Senator from Louisiana [Mr. OVERTON] and he has no objection to it.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 45, between lines 9 and 10, it is proposed to insert the following:

Inland waterway from Norfolk, Va., to Beaufort, N. C., with a view to providing a side channel 12 feet deep through Pasquotank River and Albemarle Sound to Elizabeth City.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

Mr. WEEKS. Mr. President, I offer two amendments, which I ask to have stated. One amendment pertains to Falmouth Harbor, Mass., and the other amendment pertains to Mattapoisett, Mass.

The PRESIDING OFFICER. The first amendment offered by the Senator from Massachusetts will be stated.

The CHIEF CLERK. On page 39, after line 19, it is proposed to insert:

Falmouth Harbor, Mass.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Massachusetts.

The CHIEF CLERK. On page 39, after line 17, it is proposed to insert:

Mattapoisett, Mass.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

Mr. RADCLIFFE. Mr. President, on behalf of the senior Senator from North Carolina [Mr. BAILEY], who is not in the Chamber at the moment, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 14, at the end of line 19, it is proposed to change the semicolon to a comma and add "with such modifications, including rearrangement of the harbor facilities and turning basin, as in the discretion of the Secretary of War and the Chief of Engineers may be advisable."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland on behalf of the Senator from North Carolina.

The amendment was agreed to.

Mr. CORDON. I offer a noncontroversial amendment merely authorizing an additional survey.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In section 7, page 55, after line 21, it is proposed to add the following:

Nehalem Bay and River, Columbia Slough, Astoria, Oreg., with a view to the construction of a mooring basin for fishing boats within the harbor.

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

Mr. MEAD. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 57, after line 4, it is proposed to insert the following:

SEC. 8. The Secretary of War is hereby authorized and directed to ascertain as nearly as can be estimated the amounts of damages resulting to manufacturers on the Oswego River by the improvement of the Oswego and Erie Canals by the State of New York in accordance with the project adopted by the River and Harbor Act, approved August 30, 1935.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. MEAD. I offer another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 40, after line 10, it is proposed to insert:

Nissequogue River, N. Y.  
St. James Harbor, N. Y.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. MEAD. The amendments I have offered merely provide for surveys, and are agreeable to the chairman of the subcommittee. I now offer an amendment which is contentious, and I should like to ask the Senator in charge of the bill if he will agree to take the amendment to conference.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 22, line 11, before the semicolon, it is proposed to insert a colon and the following: "Provided, The United States shall bear the entire cost of dredging and construction of piers at Oak Orchard, N. Y."

Mr. OVERTON. Mr. President, I regret very much that I cannot agree to take that amendment to conference. There has been no hearing at all on it. It relates to a certain harbor of refuge on the Great Lakes. There are a number of them, and all of them are required to pay rather substantial sums by way of local contributions because private interests, private docks, and other things are very much benefited by the construction of these harbors.

The purpose of this amendment is to select a particular harbor and strike out all local contributions in connection with it. The amendment was never offered before the committee; no hearings were held on it, and if we should strike out local contributions in respect to this particular harbor we would have to strike out local contributions in respect to other harbors.

Mr. MEAD. Mr. President, if my colleague from Louisiana will yield, I should like to ask him if he would agree to the introduction of a bill and the reference of it to the committee and perhaps ultimately to a subcommittee and later a hearing on the bill at some future time.

Mr. OVERTON. That would be very satisfactory, and I should be very glad to do that.

Mr. MEAD. Very well, I shall withdraw the amendment and offer it as a separate bill.

I now offer another amendment, Mr. President, on behalf of the senior Senator from Massachusetts [Mr. WALSH].

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 39, after line 18, it is proposed to insert the following:

Channel from Buzzards Bay to Buttermilk Bay, Mass.

Mr. OVERTON. There is no objection to that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York on behalf of the Senator from Massachusetts [Mr. WALSH].

The amendment was agreed to.

Mr. BURTON. Mr. President, I offer and send to the desk a noncontroversial amendment for a survey dealing with Lake Erie and Lake Huron.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 54, between lines 13 and 14, it is proposed to insert the following:

The south shores of Lake Erie and of Lake Huron, with a view to the establishment of harbors and harbors of refuge for light draft commercial and fishing vessels and for recreational craft.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. OVERTON. I send to the desk an amendment providing for a survey and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 51, after line 3, it is proposed to insert:

North Prong, Schooner Bayou, Vermillion Parish, La.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana.

The amendment was agreed to.

Mr. OVERTON. On behalf of the distinguished Senator from Alabama [Mr. BANKHEAD], who is unavoidably detained from the Chamber, I offer another amendment providing for a survey. I

wish to say that it relates to the Tombigbee River and the project which the Senate declined to authorize. Now it comes up in the form of authorizing a survey in reference to the Tombigbee River. I do not conceive that there will be any objection to it.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 49, after line 25, it is proposed to insert the following:

Tombigbee River, Ala. and Miss., and canal connecting the Tombigbee and Tennessee Rivers.

Mr. HILL. Mr. President, if this amendment were adopted, does the Senator think it would provide the best way to obtain a restudy of the project? Would it be better than a resolution adopted by his committee? They would both involve the same thing; but the Senator can speak with better authority on it than I can.

Mr. OVERTON. One would be as satisfactory as the other.

Mr. HILL. Would the Senator think one would be as expeditious as the other?

Mr. OVERTON. I think so.

Mr. HILL. The question in my mind is whether one would be more expeditious than the other.

Mr. OVERTON. I think I can speak for the committee, and if this amendment meets with any difficulty in conference or if there should be no conference at all on the bill—we may never reach that stage; I do not know—I should be glad to aid in getting a resolution for a review through the Commerce Committee.

Mr. HILL. But the Senator thinks we will get a report just as quickly by putting this amendment on the bill as we would as a result of a resolution of the committee asking for a resurvey.

Mr. OVERTON. I think so; that is my opinion.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. OVERTON].

The amendment was agreed to.

Mr. OVERTON. Mr. President, on behalf of the senior Senator from Florida [Mr. ANDREWS] I offer another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 13, line 23, strike out the semicolon immediately after "1944" and insert in lieu thereof a comma and the following: "and plans for the alteration of channel alignment on file in the Office of the Chief of Engineers, with such modifications as he may deem advisable."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana on behalf of the Senator from Florida.

The amendment was agreed to.

Mr. HILL. Mr. President, on behalf of the junior Senator from Florida [Mr. PEPPER] I offer what my colleague from Ohio describes as a noncontroversial amendment. It merely asks for a preliminary examination and survey.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 49, after line 19, it is proposed to insert the following:

Pensacola Harbor, Fla.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama in behalf of the junior Senator from Florida.

The amendment was agreed to.

Mr. HILL. On behalf of the junior Senator from Florida [Mr. PEPPER] I offer another amendment asking merely for a survey.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 49, after line 19, it is proposed to insert the following:

East Pass from the Gulf of Mexico into Choctawhatchee Bay, Fla.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama on behalf of the Senator from Florida [Mr. PEPPER].

The amendment was agreed to.

Mr. HILL. On behalf of the junior Senator from Florida [Mr. PEPPER], I offer another survey amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 48, after line 25, it is proposed to insert the following:

Crystal River, Fla.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama on behalf of the Senator from Florida [Mr. PEPPER].

The amendment was agreed to.

Mr. HILL. On behalf of the junior Senator from Florida I offer another survey amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 45, between lines 22 and 23, it is proposed to insert the following:

St. Johns River, Fla., Palatka to Lake Harney.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama on behalf of the Senator from Florida [Mr. PEPPER].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. AIKEN. Mr. President, 2 or 3 days ago I heard someone say that this very carefully considered bill, the river and harbor bill, which had been the subject of hearings which lasted over a 3 or 4 weeks' period, was not a "pork-barrel" bill. But after listening to the chairman of the subcommittee accept approximately, I should say, 60 or 70 amendments providing for work or studies in as many different parts of the country, without any Member of the Senate excepting the one who was interested knowing what these projects were,

I began to wonder if this was not a good-sized "bacon-barrel" instead of just a "pork barrel."

The Senator from Louisiana has been so kind in accepting the 60 or 70 projects to benefit as many different parts of the country that I hope he will, before I conclude the discussion of the subject which I shall take up, be perfectly willing to accept the amendment which I shall offer, and which might be considered as a good contribution from that "pork barrel" to 135,000,000 people in the United States, and not merely those residing at the mouth of some cove or river.

Mr. President, I shall speak on the river and harbor bill, and particularly on what is commonly known as the Great Lakes-St. Lawrence seaway project, for the construction of which I shall offer an amendment before we conclude the debate on this subject.

I ask that at the beginning of my remarks the amendment which I propose to offer later be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

At the end of the bill insert a new section as follows:

"SEC. 8. (a) For the purpose of promoting interstate and foreign commerce and the national defense, and providing an improved waterway through the Great Lakes, the St. Lawrence River, and connecting waters reaching to the Atlantic Ocean, and for the generating of electric energy as a means of financing, aiding, and assisting such undertaking, the agreement made by and between the Governments of the United States and Canada, published in House Document No. 153, Seventy-seventh Congress, first session, providing for the construction of dams and power works in the International Rapids section of the St. Lawrence River, and the completion of the St. Lawrence deep waterway, is hereby approved; and the President is authorized and empowered to fulfill the undertakings made in said agreement on behalf of the United States, and to delegate any of the powers and duties vested in him by this section to such officers, departments, agents, or agencies of the United States as he may designate or appoint. The works allocated for construction by the United States under said agreement shall be undertaken under the direction of the Secretary of War and the supervision of the Chief of Engineers in accordance with the laws, regulations, and procedures applicable to rivers and harbors projects, subject, however, to the terms and conditions of said agreement.

"(b) The President is hereby authorized and directed to negotiate an arrangement with the Power Authority of the State of New York for the transfer to said Power Authority of the power facilities constructed pursuant to this authorization and the right to use the United States share of the waters at the project for hydroelectric power purposes upon such terms and conditions as may be agreed upon, including provision for payment of \$93,375,000, which represents the cost allocated to power in accordance with the method of allocation included in the joint recommendation of the Corps of Engineers, United States Army, and the Power Authority of the State of New York dated February 7, 1933, such payment to be made by the Power Authority over a period of 50 years with interest at the rate of 3 percent compounded annually. In addition, the arrangement shall include provisions protecting the interests of the United States and assuring a widespread



equitable disposition of the power to public agencies in other States, including counties, municipalities, public-power districts, and rural electric cooperatives within economic transmission distances, and provisions for the prior use of such water for the purposes of navigation and the delivery, without charge to the War Department, of so much power as said Department shall need for the operation of navigation facilities. The arrangement negotiated pursuant to this section shall not be subject to the provisions of any other section of this act but shall be reported to Congress during its next session, and shall become effective when ratified by Congress and the State of New York.

"(c) When the Secretary of War deems it necessary for the purpose of expediting the construction of this project he may enter into contracts without advertising or competitive bidding: Provided, That the cost-plus system of contracting shall not be used. The authority to contract contained in this subsection may be exercised through such officer or officers as the Secretary of War may designate. The prior use of all waters of the St. Lawrence River within the boundaries of the United States and all lands, dam sites, and easements required for the purposes of this section are hereby declared to be necessary for the regulation of interstate and foreign commerce."

Mr. AIKEN. Mr. President, in 1941 the river and harbor bill, which was approved by the House committee, approved the agreement which had been entered into by the United States and Canada on March 19, 1941, for the development of the Great Lakes-St. Lawrence seaway.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WHITE. I wish to ask, so that I may be advised of the situation, whether the Senator has offered the St. Lawrence seaway amendment?

Mr. AIKEN. The amendment has not as yet been offered, and will not be offered until I conclude speaking. I wish to say before I start my remarks, Mr. President, that the proponents of the amendment hope to reach a vote on it as early as we can. There positively will be no attempt to delay the river and harbor bill because of this amendment. I cannot say how long it will take to present our side of the case. I understand there are six or seven Members of the Senate who will desire to speak in favor of it before the debate shall be concluded, but there will be no effort to delay a vote on the river and harbor bill, and we hope to have a vote on the amendment itself just as soon as we can. I make that as a promise now. I say that, because I saw in a news item a few days ago that we would attempt to filibuster. That is not so. I wish further to say for myself personally that if the amendment shall be defeated, there will be no attempt at retribution against any other section of the country on my part, because this is all my country. If we can develop wealth in any part of it, I know it helps my part, too.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. OVERTON. My attention was diverted when the Senator began his remarks, and I could not very well understand what he said. He made some

reference to the senior Senator from Louisiana accepting some 60 or 70 projects.

Mr. AIKEN. Projects or studies, and I remarked that in view of the acceptance of those proposals, I hoped that before we concluded the debate on the St. Lawrence project the Senator from Louisiana would be willing to accept that also.

Mr. OVERTON. I will do so in the same form in which I accepted the others, for a preliminary examination and survey. Ever since I have been in the Senate there has been no objection to an amendment preferred by a Senator with respect to a preliminary examination and survey. It was such amendments that I accepted. They were not project amendments, with the exception of one offered by the Senator from Michigan, which I am going to take to conference, and which is very emergent. There was another which contemplated some modification of an existing project, but that was not a new project.

Mr. AIKEN. I accept the explanation of the Senator from Louisiana. As a matter of fact, the Senator knows that most of the time a Senator sitting on this side of the aisle cannot possibly hear what is being said on the other side.

Mr. OVERTON. The Senator is correct.

Mr. AIKEN. However, I shall not ask for a survey of the project at this time, because it has been surveyed and resurveyed, investigated and reinvestigated, for the last 20 years.

As I was stating, the agreement which was entered into by the United States and Canada on March 19, 1941, represented the culmination of 10 years of earnest endeavor on the part of our great Secretary of State, Cordell Hull. After the very kind words which have been said about Mr. Hull on the floor of the Senate, I hope no one will be in a mood to tear down the work which he has been doing and the structure which he has been building over this period.

Mr. President, this is not the first time the St. Lawrence project has been brought before the Congress in connection with the development of the rivers and harbors of our country. In fact, in presenting this project as an amendment to the rivers and harbors bill, which I shall do later, I am merely following the procedure which has been followed for the past 40 years. All the works for the improvement of navigation which have involved Canada and the United States, so far as I know, with one or two exceptions, have been authorized through rivers and harbors bills. All the dams across the international boundary waters which have been constructed by private utilities have been constructed in accordance with the provisions of the treaty of 1909.

I would have preferred to have a development of such great importance to the entire Nation come before the Congress as a separate measure. Some time ago, however, I came to the conclusion that such a procedure was without the realm of possibility at this session of the Congress.

I introduced Senate bill 1385 on September 28, 1943, and after giving the Committee on Commerce the full benefit of all doubts which I may have had, I was very reluctantly forced to the conclusion that it would be impossible to obtain a report from that committee in time for any action at this session. The chairman of the full committee and the chairman of the subcommittee have both given reasons to this body for the delay in taking action on that bill. No doubt these reasons seemed plausible to them, and perhaps might have been accepted by me except for certain incidents which have occurred, and which have been discussed at some length on this floor.

I shall not discuss further, unless it is the desire of members of the committee that I do so, the campaign of the chairman of the subcommittee, the Senator from Louisiana, nor shall I discuss further, unless requested, the explanation of the Senator from North Carolina relating to the delay in requesting reports from various departments of the Government which might conceivably be interested in the bill.

I simply call the attention of this body to the fact that on November 21, 1944, the subcommittee of the Committee on Commerce handling S. 1385 started hearings purporting to determine whether it had jurisdiction or not over the bill introduced by me September 28, 1943.

Accepting all other excuses for the delay at face value, the fact remains that it was not necessary for this committee to await the reports of any Government departments before calling hearings to determine whether or not the committee to which the bill was referred had jurisdiction over it. I personally believe that the Committee on Commerce has far outstepped its jurisdiction in undertaking to determine whether the St. Lawrence development is a proper subject for a treaty or an agreement. That, Mr. President, seems to me to be a matter which should be determined by the Senate itself, if at this late date we propose to challenge the form of the instrument negotiated in 1941 by Secretary of State Hull.

I did not testify at these hearings, although invited to do so by both the chairman of the full committee and the chairman of the subcommittee, for the reasons that—

First, I make no pretense of being a constitutional lawyer;

Secondly, three members of the committee expressed their decision, according to the press, before any of the testimony was heard;

Thirdly, it was the State Department and not the proponents of the St. Lawrence seaway whose right to submit the subject as an agreement was challenged; and

Lastly, I felt that the Committee on Commerce was entirely without jurisdiction to hold such hearings. I understand that the chairman of the Foreign Relations Committee, the Senator from Texas [Mr. CONNALLY], was not consulted before these hearings were held.

It is doubly unfortunate that these hearings, called for the purpose of challenging the methods of Secretary Hull

and the State Department, were called at the very time when Secretary Hull was ill in the hospital and when Assistant Secretary Adolf Berle, who had assisted Secretary Hull in the St. Lawrence negotiations, was necessarily absent conducting the International Aviation Conference now being held in Chicago.

Therefore, in the light of this most unusual procedure on the part of the Committee on Commerce, it has appeared to the proponents of the St. Lawrence seaway development that the only way to secure a vote on this great project, which will directly benefit 50,000,000 people and indirectly benefit every man, woman, and child in the whole United States, is to offer it as an amendment to the rivers and harbors bill now under consideration, which we propose to do at the proper time.

Mr. WHITE. Mr. President, will the Senator from Vermont yield so that I may suggest the absence of a quorum?

Mr. AIKEN. I yield.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOLMAN in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Overton
Austin	Guffey	Radcliffe
Bailey	Gurney	Reed
Ball	Hall	Revercomb
Bankhead	Hatch	Reynolds
Bilbo	Hayden	Robertson
Buck	Hill	Russell
Burton	Holman	Shipstead
Bushfield	Jenner	Stewart
Butler	Johnson, Colo.	Taft
Byrd	Kilgore	Thomas, Okla.
Capper	La Follette	Thomas, Utah
Caraway	Langer	Tunnell
Chandler	Lucas	Tydings
Clark, Mo.	McClellan	Vandenberg
Connally	McFarland	Wagner
Cordon	McKellar	Walsh, Mass.
Danaher	Maloney	Walsh, N. J.
Davis	Maybank	Weeks
Downey	Mead	Wheeler
Eastland	Millikin	Wherry
Ellender	Murray	White
Ferguson	Nye	Wiley
Gerry	O'Daniel	Willis
Gillette	O'Mahoney	Wilson

The PRESIDING OFFICER. Seventy-five Senators have answered to their names. A quorum is present.

Mr. AIKEN. Mr. President, as I stated before I suspended for a quorum call, I should have preferred to offer this bill as a separate measure; but inasmuch as it appeared to be impossible to get a report from the committee in time to obtain any action at this session of Congress, the only recourse seemed to be to offer it as an amendment to the rivers and harbors bill, now under consideration, which I propose to do at the proper time.

The action of this Congress in approving or disapproving the Great Lakes-St. Lawrence seaway and power development will have a far-reaching effect on the position which America will hold in the post-war world. It will be an important factor in determining the extent of the security, the prosperity, and the happiness which the people of this Nation will possess in the future.

It will play an important part in insuring the men in our armed services against the specter of unemployment

when they return to their native land. Those 6,000,000 boys of ours now overseas and the millions who are preparing to follow them are relying upon us to build in this country during their absence the foundation for an era of prosperity and security; and in this we must not fail. We will not fail.

They are doing their part in this war. They are offering all they have. They have left their homes, their parents, their wives, and sweethearts and their children and have gone forward to offer their lives, if necessary, fighting under the American flag in every corner of this earth.

The least we can do is to construct the foundation on which they may build—a foundation which will provide happiness and security for 135,000,000 people, not just for small groups of people presently remaining at home, who do not have to go forth to war, perhaps to nameless graves thousands of miles from their homes.

We have recently authorized tremendous public works in the flood-control bill. We will authorize more in the rivers and harbors bill now before us.

We of the Senate have refused, by defeating certain amendments offered to the flood-control bill, to turn over the heritage of our boys to certain special interests while their backs were turned. I say we can take just pride in the action of this Senate in insisting on holding the remaining natural resources of America in trust for the men and women of our armed services, their families, and their descendants.

Now, Mr. President, I am going to appeal to the members of this body to do one thing more for those who are fighting our battles in foreign lands for us, and that is to authorize the great development which, more than any other, will bring happiness, security, and prosperity to all our people.

Senate bill 1385 approves the agreement entered into between the United States and Canadian Governments on March 19, 1941. That agreement provides for the construction of such works as will furnish a 27-foot waterway all the way from Chicago, Duluth, and other points on the Great Lakes to the Atlantic Ocean.

Such a waterway would accommodate all but the largest ships of our Navy and our merchant marine, bringing to realization the hopes of the people living in the industrial and agricultural regions of the Great Lakes and the West that some day they will have free access to the seas and their rightful place in the commerce of the world.

In that respect, Mr. President, I should like to call attention to the fact that the great industrial cities of almost all other countries of the world are located upon waterways—either inland waterways or natural waterways—so that the goods produced in those industrial centers can be shipped to other parts of the world without the necessity of paying expensive transshipment charges which manufacturers located in the central part of our country must bear.

Since the agreement was signed in March 1941, considerable work, including the reconstruction of the locks at

Sault Ste. Marie, has been completed as a war necessity.

The principal obstacle now remaining in the 2,700-mile waterway reaching from the Atlantic Ocean to the ports of Chicago and Duluth, in the heart of our continent, is a 48-mile stretch of rocky channel which is known as the International Rapids. It lies between the State of New York and the Province of Ontario.

While there are other lesser improvements to be made, the construction of dams, locks, and canals at the International Rapids is by far the major portion of the work remaining to be done. This work is almost wholly on the American side of the St. Lawrence River. The great dam will be entirely within our borders. The canals and locks will be entirely within our borders. Only some of the canal houses and some of the control dams will be in Canada. The work will be done under the direction of the United States Army engineers, and no one questions their ability to do the work.

The total cost of all the work remaining to be done to complete a 27-foot waterway is estimated by the Army engineers to be \$421,000,000. Of this sum, the United States will pay \$277,000,000 and the Dominion of Canada \$144,000,000.

The difference in the amount to be paid by the two countries is due to the fact that Canada has to date spent approximately \$133,000,000, while we have spent only about \$17,000,000, exclusive of certain improvements made since the war started, on this international waterway.

I understand, Mr. President, that this great expenditure on the part of Canada is due to the fact that in 1928 or early 1929, an exchange of notes was made between the Canadian and American Governments, whereby it was agreed—under what authority, I do not know—that if one country spent money in developing the common waterway of value to both countries, the other country would match the expenditure. Canada went ahead on the strength of that agreement, and spent \$133,000,000, principally in reconstructing the Welland Canal so that it has a depth of water of 30 feet over the sills. Therefore, Canada is credited with the amount of \$133,000,000, which has been spent principally in the reconstruction of the Welland Canal, as I have said.

Of the \$277,000,000 to be paid by the United States, \$93,375,000 will be repaid by the State of New York over a 50-year period, to cover the part of the cost properly allocable to the power development which will be constructed in connection with the seaway.

In arriving at the sum of \$93,375,000 which is to be paid by the State of New York, the Army engineers estimated the cost of the construction, then added an allowance of 25 percent for contingencies, and then—on top of that—added 12½ percent more for good measure. This contribution to the cost of the total development by the State of New York is undoubtedly adequate fully to reimburse the Federal Government for all expenditures connected with the power development.

Deducting this contribution from the total estimated cost to the United States, we find a net cost amounting to \$184,000,-



000, plus interest during the construction period. Those two amounts will probably make a total of approximately \$190,000,000.

There is no telling how many days the present war might have been shortened if the St. Lawrence development had been constructed before we became involved in the hostilities.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. DAVIS. If our ships are able to go from ports on the Great Lakes, in the central part of the United States, directly to foreign ports, the result will also be that ships will be able to travel from the industrial centers of other countries to our industrial centers on the Great Lakes, merely upon the payment of the regular fees.

Mr. AIKEN. That is absolutely correct. Any ship will be able to travel from any part of the world to our ports in those areas. A ship will be able to bring rubber from the East Indies or gold from Africa or hides from South America directly to ports on the Great Lakes, without having to unload at the Atlantic ports. Today the cargoes must be transported overland by rail from the Atlantic ports.

In that connection, Mr. President, let me say that at the present time there is a 14-foot canal around the International Rapids, and during this year some 4,000 cargo ships have used that canal. I think the cargoes they have carried have amounted to a total of approximately 9,000,000 tons. I never have reduced that figure to the impressive figures for ton-miles which have been used so freely here, but I think approximately 9,000,000 tons of cargo have been carried this year through the 14-foot canal.

The total cost to the United States of this great development, which will permit ships from the Great Lakes to sail fully loaded to any port on the seven seas, will be less than the cost of waging war for a single day. It will be considerably less than the ultimate cost of many of the projects already approved by the Senate in the flood-control bill and favorably reported by the committee in the rivers and harbors bill.

Previous to the war there was a fleet of Norwegian ships which used the canal to which I have referred. I believe they started with one ship. They were short, shallow-draft ships. The locks of the present canal are only 260 feet in length. Those Norwegian ships had built up a sizable business in carrying freight to Chicago, Detroit, and other ports, reloading at those cities, taking the cargoes to European markets, and selling them in competition with the rest of the world. They were handling manufactured goods largely, as I understand, but just before the war they were carrying considerable quantities of manufactured steel to European markets and selling them there in competition with the world.

Mr. DAVIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Pennsylvania?

Mr. AIKEN. I yield.

Mr. DAVIS. Does the Senator know the nature of the cargo which was brought into the United States in exchange, so to speak, for our own?

Mr. AIKEN. I cannot state. I understand that the ships brought in considerable quantities of pulpwood and other products which we bought from foreign countries. In that connection I believe that if we are to export all over the world we must expect to have cargoes returning to this country. That is one of the things we hope will take place after the war. We hope to have a great increase in world trade.

Mr. DAVIS. The Senator has called attention to the amount of money which the State of New York would pay into the fund from which we had invested United States money in the power plants along the river. Can he tell us how much power would be generated in those plants?

Mr. AIKEN. As I have already said to the Senator from Pennsylvania, I will come to that point a little later and go into it in some detail. I am glad, however, that he has raised the question. Incidentally, it might be interesting to know that the total increased capacity of American shipping through the St. Lawrence seaway would be about 10,000,000 tons.

The question of States' rights does not become involved in this bill. The right of the power authority of the State of New York to take over the power development and to sell power therefrom is clearly recognized.

Some years ago I believe it was in either 1933 or 1934—an accord was reached between the Federal Government and the State of New York. It was at the time the great St. Lawrence treaty was before the Congress. The accord was reached and was accepted by the House of Representatives. I believe it was reported favorably by the Committee on Foreign Relations of the Senate, and when the treaty failed to receive the necessary two-thirds vote, the matter was dropped. But an accord has been reached recognizing the right of the State of New York to take control over the power development and to sell power therefrom.

The bill provides that New York will make available St. Lawrence River power to other States within economical transmission distances. Within 200 miles from where the great dam would be located is an area including the State of Vermont, most of the State of New Hampshire, a part of western Massachusetts, Connecticut, most of New York, and I believe a small portion of northern Pennsylvania. Within the 300-mile transmission distance will be included most of the great industrial regions of the Northeast.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. DAVIS. Is it contemplated that any other power plants will be erected along the route to which the Senator refers?

Mr. AIKEN. Not at the International Rapids. The agreement, which would have to be approved under the bill, also provides "for the preservation and en-

hancement of the scenic beauty of the Niagara Falls and River and for the most beneficial use of the waters of that river."

At the present time some of the water which is used at Niagara Falls for generating electric power is very wastefully used. The contract provides that the situation shall be studied, and that experimental construction work may be done in order to determine just how the water from Niagara Falls can be best used. It is estimated that if the water were used efficiently it would result in generating about 700,000 additional horsepower on the American side. I believe the increase on the Canadian side would be about the same, but I am not sure as to that. The power would, of course, be of great benefit to the people living in Buffalo and in other sections of Erie County, N. Y.

That the Great Lakes-St. Lawrence seaway and power project has not been constructed long before this time is due to the fact that at every turn special interests have sought to delay and obstruct the improvement, while in certain sections the people have not fully realized what tremendous benefits would be provided by cheap power and reduced transportation costs.

In many instances, franchises were given for the construction by private power interests of dams across rivers lying between the United States and Canada, and the question of constitutionality was never once raised. Now, when it is proposed to construct a dam to be owned by and wholly for the benefit of the public—although I am sure that private power interests would share greatly in the benefits, and probably distribute most of the power generated—questions of constitutionality and other technical questions are raised which were never raised when private companies constructed dams across international boundaries.

The people have been bombarded by propaganda based on absolute falsehoods and half truths telling them that the St. Lawrence development would harm them and attempting to fill them with fear and doubt.

A generation ago a western railroad printed a pamphlet setting forth the savings which would result to consumers on the eastern seaboard through the construction of the St. Lawrence seaway. I have recently been advised by a friend of the president of that railroad that no sooner had the pamphlet been issued than the president of the road received peremptory orders from Wall Street to gather up and destroy every one of those pamphlets, and under no circumstances to have any more of them printed. I could give the name of the railroad, the name of the president of the road, and the name of the person who ordered the pamphlets to be destroyed; but I do not see that any public advantage would be gained by doing so. We all know that it might be one of a dozen men. We know who those groups are.

For 50 years or more private interests have coveted the mighty water power of the St. Lawrence. In the early days of the development of giant power the generation of public power was almost unknown. Groups of men organized, took

risks, failed in some cases, and made enormous profits in others. Therefore, it was only natural that the St. Lawrence, capable of developing the greatest power on earth, should be the object of many ambitious schemes for private exploitation.

I do not think we can criticize too much the speculative profits made by the privately owned utilities during the early part of this century. The commercial power industry was comparatively new. Many engineering problems were still to be overcome. Those who invested took risks and, as I have said, some lost and others grew rich.

In 1921, a group of the most powerful interests in the United States comprised of the Aluminum Co. of America, the General Electric Co., and the du Pont Co. united under the name of the Frontier Corporation for the purpose of acquiring and developing the power of the St. Lawrence River.

Through Hugh L. Cooper & Co. they made an offer to the United States and Canada that they would construct the seaway without cost to either country in return for the power which could be developed on this great river. The estimated cost of the construction at that time was \$1,350,000,000. This plan of development, however, included that part of the St. Lawrence River which lies wholly in Canada, as well as the International Rapids development which would be authorized by the 1941 agreement.

Some 4,000,000 horsepower of electricity would have been generated on that part of the river which lies wholly within Canada. A portion of it has been developed by private interests. I think the Montreal Light & Power Co. owns it now or did own it a year ago. Last spring the Quebec Parliament enacted legislation authorizing the purchase of the private power plants on the St. Lawrence River and making them into public power plants. But the attempt of the General Electric Co., the Aluminum Co., and the du Pont Co. in 1921 to acquire the title to the St. Lawrence project was the last serious effort by private interests to acquire for themselves in their own name the world's greatest potential source of electric energy.

The offer of these corporations was not accepted, for by that time public opinion was aroused to the point where government could no longer afford to turn over to private interests natural resources properly belonging to all the people.

These efforts to acquire the water resources of New York were first made when Theodore Roosevelt was Governor, and he fought the private interests who tried to acquire them; then Charles Evans Hughes fought them, and finally Al. Smith had to fight them. I think almost every Governor of New York State has had to fight to preserve those resources for the people of New York.

Since that time there has been conducted a campaign by private interests forever to prevent the development of the energy of this great river unless the

benefits of such development are turned over to private interests for private profit.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Missouri?

Mr. AIKEN. I yield.

Mr. CLARK of Missouri. There is another project, is there not, for an all-American waterway from the Great Lakes to the ocean?

Mr. AIKEN. I think there were some early investigations that provided surveys for an all-American route, in fact two or three of them, but it was decided that the one now being considered was the only one which was feasible.

Mr. CLARK of Missouri. Such a route has been very strongly advocated by such organizations as the State Chamber of Commerce of New York, the New York Waterway Association, which was formerly headed for many years by Mr. Peter G. Ten Eyck, formerly mayor of Albany and a former Member of the House of Representatives from the State of New York, and by a great many other American organizations, in contrast to the theory of having a waterway through Canada to be constructed very largely by American funds and employing Canadian materials and labor.

I recall a 5-hour speech made on this floor when the St. Lawrence Treaty, which is really what it should be, was before the Senate in 1933 by the then senior Senator from New York [Mr. COPELAND], in which he pointed out the advantages, the many advantages, of the all-American route over the Canadian route.

Mr. AIKEN. What the Senator from Missouri says is perfectly true; such recommendations have been made, and they have been made, as I understand, by those to whom he has referred; but the investigation made by the committee of which Secretary of Commerce Hoover was the head recommended the St. Lawrence as being the most feasible route. The all-American routes were recommended, I think, for two reasons, the first being that the people of Albany would like to turn all the traffic from the Great Lakes past the port of Albany. That is only natural. The other reason was that the power development would be relatively small and negligible on an all-American route and some of those the Senator has named, as we all know, are very much interested in power development, and I am sorry to say that they have been interested in high prices and scarcity rather than in plenty and low prices.

Mr. CLARK of Missouri. If the Senator will permit me a further observation, I hold no brief on the face of the earth for the port of Albany; I do not care anything whatever about the port of Albany; but, as between the port of Albany in the United States and Montreal and Quebec, I stand very strongly on the side of the port of Albany.

So far as power is concerned, that seems to me to be a negligible matter.

My primary objection to this whole scheme is that it puts a limitation in perpetuity on the diversion of water from Lake Michigan, a lake lying wholly within the United States, which diversion is absolutely necessary for the Lakes to the Gulf waterway, which I regard as absolutely essential to the inland waterway development of the United States. It seems to me that power development is an entirely negligible element in this equation.

Mr. AIKEN. I do not desire to enter into a discussion with the very able Senator from Missouri concerning the diversion of water from Lake Michigan, but I understand that the document submitted as a treaty in 1934 absolutely prohibited further diversion of water from Lake Michigan, and it thereby incurred the wholehearted hostility of both Senators from Illinois, whereas the present agreement does not prohibit further diversion from Lake Michigan, but provides a means of settling damages in case it ever is diverted. The Senator's quarrel as I understand is with the States of Michigan and Wisconsin and the United States Supreme Court rather than with this project.

Mr. CLARK of Missouri. I am perfectly willing to rest that settlement with the States involved. I think that has been a matter that has been pending before the Supreme Court of the United States for a number of years. What this proposal amounts to is a treaty, and I may say that when the Senator offers his amendment, if he does, I propose to move to refer it to the Committee on Foreign Relations to be dealt with as a treaty. My objection is to an international agreement—a treaty, or whatever one may please to call it, which, second only to the Constitution, is the law of the land—limiting in any degree whatsoever our right to take whatever water we please from Lake Michigan.

So far as the suits between the various States of the Union are concerned, that is a matter which can be properly settled by the Supreme Court of the United States. They may settle it wrong, but whatever decision they make, of course, will be binding on all of us.

Mr. AIKEN. As I understand, the contract is now before us. It provides that if water shall be diverted, arbitration will be necessary in settling the amount of damage to injured parties on the river.

Mr. CLARK of Missouri. What is the Senator's reason for asserting that this is now to be treated as an executive agreement, when it has been recognized for many years as being a treaty?

Mr. AIKEN. The discussion of that matter at this time would be a little premature on my part. I should like to discuss the merits of the seaway and power development itself before engaging with the Senator from Missouri in the discussion of that question.

Mr. CLARK of Missouri. I shall be very glad to wait and discuss that question on my motion to refer, which I shall make as soon as the Senator offers his amendment.



Mr. AIKEN. Opponents of the St. Lawrence seaway, when they found they could not get it in their own name to develop the power for themselves, have resorted to all the tricks of the propaganda world, and apparently have been backed by unlimited funds.

The sordid and oftentimes speculative era of the twenties resulted in gross inflation in the financial structure of so many utility corporations that the term "power companies" was frequently used as synonymous with "crooked business" and "rotten politics."

Holding companies were organized for the purpose of exploiting the public and acquiring unearned profits which ran into astronomical figures. It was not unusual for utility companies to use valuations for rate-making which ran from 10 to 25 times the valuations of the same property for purposes of taxation.

Under such conditions it was naturally impossible, and particularly after the crash of 1929, for utility companies to extend their lines into the rural areas of America because the income from such lines could not pay dividends on the inflated valuations of the capital structure. Only the cream of the market could be served.

Such a condition provided the ground work for the establishment of the R. E. A. and the spread of municipal and public electric systems. Such a condition also provided the incentive for the obstructionist tactics used against the St. Lawrence and other undeveloped natural resources.

If the private utilities could not serve 5,000,000 rural homes themselves, they were apparently determined that no one else should do it. I would except some of the companies from that statement, but there were so many which took that attitude that the public generally applied that state of mind to all.

To my recollection, I have never made a public statement setting forth my views on the public distribution of power. I am usually referred to in the press and otherwise as a public-power advocate. As a matter of fact, I have never at any time advocated the distribution of power to the consumer through publicly owned systems except where it has been impossible to get adequate distribution or fair rates otherwise.

I have most earnestly urged the formation of rural electric associations to serve the millions of rural homes in America which the private utilities either could not or would not serve.

I have fought the private utilities with all the force I had when they have attempted to prevent the transmission of electric light and power to these farms and rural homes, as they have done through tactics which they know only too well how to use.

I shall continue to fight them, if necessary, along this line until every farm home in America receives these benefits to which it is justly entitled.

The utter ruthlessness with which some private utilities have attempted to keep from the farm people of America the ordinary comforts of life have made

it difficult at times for me to be fair to the industry as a whole. There are a million farm homes—yes, probably twice that number—that private utilities never intended to serve, which are getting electricity today because of the competition created by the R. E. A.

Since the St. Lawrence development has again been attracting public attention, I have been told by some private utility operators that if they could be sure that St. Lawrence power would not be used for an expansion of public power lines they would not oppose the project.

I daresay that if we guaranteed that private utility companies could have that power to distribute over their own lines, the St. Lawrence project would go through in short order. The experts whom the opponents hire would be telling a different story when they came before the committee.

My answer to them is that the extent to which public power and cooperative power-distribution system are expanded depends entirely upon the private utility operators themselves. If they are willing, and I know some of them are, to distribute power generated at public plants at a price commensurate with its cost and will be satisfied with normal profits on their business based on fair valuations, they need have no fear of the expansion of public power.

If, however, certain great utility companies and holding companies persist in the obstructionist tactics, the reactionary policies and the ruthless methods for which they have been noted to date, the people of America will have only one recourse, and that is the expansion of public systems for power distribution direct to the consumer.

If they continue with their policy of opposing the construction of plants or the generating of power at public dams or the sale of power at low prices, when that is possible, or if they continue the policy of scarcity and high prices rather than a policy of plenty and low prices, which will mean more jobs, more wealth, more comforts for humanity, they will have forfeited every right to favorable consideration by the American people. So far as I am concerned, the test is here now.

But, it may be said, if I do not advocate the public distribution of power to the consumer, how does it happen I am advocating public ownership of the St. Lawrence and other great sources of power which would supply the low-cost electric current for retail distribution?

My answer is this: God never meant the Niagara Falls or the St. Lawrence rapids, or the rivers of the Tennessee Valley, or Grand Coulee, or Bonneville to be placed here on earth for the benefit of small groups of men. These great natural resources were placed on earth for the benefit of all the people to be held in trust by each succeeding generation for those who will follow. For the highest legislative body in the United States to turn over the water power of any one of these great natural resources to a small group would be nothing less than a betrayal of that trust.

As I have said, the opponents of the St. Lawrence project have resorted to all the tricks of the propaganda world. They have told the coal miners that the development of power on the St. Lawrence would ruin the coal industry.

I think it was John L. Lewis who went before the Committee on Rivers and Harbors of the House of Representatives 3 years ago and argued against the St. Lawrence seaway, because, he said, the ships which took our industrial goods overseas would bring back coal as ballast, and the more ships we sent overseas with our industrial output the more coal they would bring back. It was an absolutely ridiculous assertion to be made by anyone claiming to represent the coal miners that we should not do more foreign business because we might import more coal. As a matter of fact, if every ton of American traffic which would come through the St. Lawrence Canal were coal and nothing else, I believe it would amount to one-fiftieth of 1 percent of the output of the coal industry of this country, or some such ridiculously small figure. Such a statement, that the development of the St. Lawrence seaway would be detrimental to the coal miner and the coal operator, is at variance with the facts, as has been amply proved in the case of the Tennessee Valley Authority, where the use of coal increased 1,000 percent following the development of the water resources of that region.

It is true that the use of coal has fallen off nationally during the last two decades, largely due to the increased use of oil. In those areas where cheap electric power has been developed the use of coal has actually increased.

Cheap power means more industry, more jobs, and more wealth. These things mean an increase in the amount of coal consumed. The claim that an increase in industry in any State will reduce the consumption of coal would be so utterly ridiculous as to be unworthy of notice if it were not for the fact that through propaganda methods thousands of coal miners have been led to believe that coal mining really would be injured by the development of the St. Lawrence River and consequent increase in our industrial output. As a matter of fact every reduction in the cost of transportation that brings the coal miner's food to him at less cost means that he is better off, and when in the production of goods which are brought to him at less cost more coal is utilized, his betterment is twofold.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WHERRY. I should like to ask the Senator where the coal would come from that would be transported down the St. Lawrence in competition with the coal mining industry of this country. I did not understand what the Senator said about that.

Mr. AIKEN. I think it would come from Britain. Canada imports some coal from Britain, and the Senator from

Pennsylvania [Mr. DAVIS] says also from Russia. I presume he is correct. But if the entire capacity of the St. Lawrence were devoted to the importation of coal it would amount to only a fraction of 1 percent of our total production. In fact the claim is made by proponents of the St. Lawrence seaway that it would permit more of our coal to be sold. I think there is significance in the fact that the city of Lorain, Ohio, which is the largest coal shipping port on the Great Lakes, as I understand, is officially on record as favoring the development of the St. Lawrence seaway.

Mr. WHERRY. I thank the Senator.

Mr. AIKEN. Opponents of the seaway have sought to divide the people of this Nation against themselves. They have told the people of the Atlantic and Gulf coast ports that an increase in agriculture and industry and employment and purchasing power throughout the great central portions of our country would reduce the amount of business done by those ports.

Nothing could be further from the truth. Even now with \$10,000,000,000 of lend-lease exports, the total export business of the United States amounts to only 8 percent of our total economy. It may be of interest to note that as far back as 1920 the export business of this country amounted to 12 percent of our total economy, whereas now, including lend-lease and all, it is only 8 percent.

Mr. WHERRY. Mr. President, will the Senator yield.

Mr. AIKEN. I yield.

Mr. WHERRY. Does the Senator state that the entire national volume of export trade decreased from 12 percent in 1920 to 8 percent at present, including lend-lease?

Mr. AIKEN. Yes, but in 1920 our total national economy amounted to \$70,000,000,000, compared with one hundred and fifty-eight or one hundred and sixty billion dollars today, so even though there has been a decrease in the percentage of export, there has been an increase in the dollar amount. I simply called attention to the decrease in percentage.

Most of our business is done with ourselves. Yet, the people of Baltimore and Philadelphia and New York and Boston and New Orleans and Mobile are told that the development of the St. Lawrence, which will make it easier for them to do more business with the people of Buffalo and Cleveland and Toledo and Detroit and Milwaukee and Duluth, is going to hurt them. Those people are afraid today. They do not want to change their ways of doing business, but they comprise only a very small segment of our total population, and I maintain that even though a few might have to change their ways, we should consider this subject in the light of what is good for 135,000,000 people rather than what may be good for 135,000.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. VANDENBERG. On the question of the relative value of the St. Lawrence development, and whether the balance

sheet finally becomes a liability or an asset, I cannot help but constantly think of what happens in the city of Detroit. When the great automobile industry of Detroit can reach the world with tide-water transportation it is perfectly obvious that the industry of that area and everything related to industry, transportation, and everything else, is certain to be served in a degree which multiplies the total economy of the area and the total economy of the country, and it could not have any other result.

Mr. AIKEN. I thank the Senator from Michigan for his observation, and I will add that when the products of the motor-car companies of Detroit reach the markets of the world in greater quantities there will be an increased benefit to every State in the United States.

Mr. VANDENBERG. Will the Senator yield to permit me to say a word on that point?

Mr. AIKEN. Yes.

Mr. VANDENBERG. Furthermore, since we are constantly warned that the post-war economy of the world has got to produce a freer flow of commodities pro and con, exports and imports, it again, it seems to me, becomes an axiom that the development of a transportation facility of this nature which is so inevitably sure to facilitate exports and imports must be of fundamental service not only to the economy of the United States but to that of the world.

Mr. AIKEN. The Senator is entirely correct.

I readily admit that a few people in this great Nation of ours will have to change their ways of doing business when the St. Lawrence seaway is constructed. But I hold that the easier it is for people of one part of this Nation to do business with the people of every other part of this Nation, the greater wealth and prosperity and security will redound to all.

If the special interests, the apostles of scarcity and high prices, who today are fighting the St. Lawrence seaway would have their way, the United States would soon become a stagnant and decadent nation. As I have said, they fight this proposal because they are afraid of a change.

There are many reasons why we must not permit the selfish interests opposing the St. Lawrence development to delay it any longer. They have done damage enough already.

We have known for 20 years that we needed the St. Lawrence development. We needed it in 1934 when the Senate failed to cast a two-thirds vote in favor of the treaty which was then before the Senate. We needed it just as surely as we should have known that sooner or later we would have to provide for the defense of this Nation, in a world at war, and that we would need battleships and airplanes, power, and aluminum plants for war production.

We knew that the St. Lawrence navigation and power facilities were needed in 1940 and 1941. The supporters of the seaway knew it and the enemies of the seaway knew it.

Those who sought to protect monopoly privileges and profits through postponing its construction knew that it was a vital necessity to this country in the event of war as well as in times of peace. In 1941 the President of the United States, the Secretary of State, the Secretary of War, the Secretary of the Navy, the Chairman of the Maritime Commission, and virtually every high Government official, pleaded with the Congress even while the clouds of war gathered on the horizon, to authorize this development so that its resources would be ready for the defense of America.

Let me quote now from the statements which some high officials made at that time. I have first the testimony of the Secretary of the Navy, Mr. Knox, a member of the War Production Board, who said, on June 18, 1941:

What a great boon it would have been to national defense now if when this project was first proposed it had been agreed to and put into effect. If that had been done it would not have been only along the 12,000 miles of coastline that we now have scattered our shipyards for building combatant ships, but it would have been along additional thousands of miles of inland waters, completely safe from any dangers from without, where we could be building cruisers, destroyers, submarines right now \* \* \*

It is driven home to me \* \* \* that we are going to live in a disturbed world for a long time, no matter what the outcome of the war may be, and in that world which is out of balance and struggling for a new and secure footing the control of the seas is going to be of immense importance.

Along with the development of modern sea power has come a new power—that of the air. To have a region in a time of turmoil and disturbance and of possible threatened war, where we could proceed with reasonable security in maintaining that predominance in sea power, which such a state of the world might require, would be an immensely invaluable national asset. \* \* \*

The other phase of shipbuilding, which is under pressure, is the construction of merchant vessels. For this type of vessel there are a number of very well organized, efficient yards in the Great Lakes. \* \* \*

If I could be sure, say 2 years hence, that a deep waterway, which would accommodate a vessel 500 or 600 feet in length with a draft of 20 to 25 feet, would be available, the Navy could utilize the Great Lakes yards as well as the coast yards, which would provide a means of promoting ship construction and distributing this work. The work is now confined as you know, to a narrow strip along the coasts. If we could establish this means of communication to salt water we would insure a future means of construction which would be a very marked military advantage to us. (Vol. I, pp. 95, 96, 97, hearings.)

That was testimony given by Secretary Knox on June 18, 1941, before we had entered the war; and even at that time, although there was disagreement in the Congress and very strong disagreement in the country as to what America should do about the war and how she should do it, yet we all knew that we should be preparing for it.

This is the testimony of Mr. Stimson, Secretary of War, on June 17, 1941:

The engineers inform me that the project can now be built in 4 years, and possibly in 3 working seasons. \* \* \*

So far as the benefits to this country at this time of emergency are concerned, as I



see them in my Department, they are: First, the increase in our shipbuilding capacity by taking in the shipbuilding capacity on the Great Lakes; second, so far as transportation of munitions to Great Britain is concerned, there is a slight improvement, comparatively, in the distance which such munitions could be transported on a protected route. \* \* \*

Third. The great advantage is the fact that this waterway will produce an estimated total horsepower of 2,200,000. Now, that is a very important matter at this time of strain.

This horsepower produced by this proposed project is, I am informed by the engineers, the largest block of undeveloped power at one site in the United States, as well as the cheapest in its operation.

Speaking generally, it takes advantage of this enormous reservoir constituted by the five Great Lakes, of water power, and produces in the St. Lawrence River a flow of water which is steady throughout all seasons and does not have to be supplemented with steam power, and is, therefore, the most cheap to operate. \* \* \*

Benefit in transportation, whatever the immediate disturbance that may be produced, ultimately inures to the benefit of the entire people of the country and to me it seems inconceivable that when we take into consideration the long view, that we should not have the benefit of this great possibility of cheapened transportation and increased power.

That statement by Secretary Stimson will be found in volume I, pages 4 and 5, of the hearings before the House Committee on Rivers and Harbors.

Mr. President, I have read statements by Secretary Knox and Secretary Stimson, statements which came to naught. I ask unanimous consent to have printed in the *RECORD* at this point as a part of my remarks a statement by Admiral Land, Chairman of the United States Maritime Commission. I shall not read all of that statement. I read an excerpt from Admiral Land's statement:

There can be little doubt but that the projected seaway would benefit oceangoing transportation in merchant vessels in both the foreign and domestic trades, since the seaway would open to such vessels thousands of miles of additional coast line and would permit them direct access to one of the most highly industrialized and agriculturally prolific regions in the United States.

The Commission is constantly studying how to use to the maximum for defense the shipbuilding resources of the country. There are many shipbuilding sites and prospective supplies of labor in the Great Lakes area not now fully utilized. Temporary expedients are being devised to utilize some ways on the Lakes to build ships to be floated down the Mississippi River. The construction of the St. Lawrence waterway will make possible a much greater use of the Great Lakes yards and will add to our national shipbuilding resources capacity to build large ships now landlocked from the sea. The sooner the St. Lawrence waterway is built, making the lake yards directly accessible to the sea, the more rapidly can the vast fleet of ships disturbed world conditions make necessary be secured.

That is the statement which Admiral Land made before the House Committee on Rivers and Harbors on August 6, 1941. I ask unanimous consent to have the entire statement printed in the *RECORD* at this point as part of my remarks.

There being no objection, the statement was ordered to be printed in the *RECORD*, as follows:

UNITED STATES MARITIME COMMISSION,  
Washington, August 6, 1941.

HON. J. J. MANSFIELD,  
Chairman, Committee on  
Rivers and Harbors,  
House of Representatives.

DEAR CONGRESSMAN MANSFIELD: You have requested the views and recommendations of the Maritime Commission with respect to H. R. 4927, a bill to provide for the improvement of the Great Lakes-St. Lawrence Basin in the interest of national defense, and for other purposes.

Section 1 of the bill would declare the approval of Congress of the agreement made between the Governments of the United States and Canada published in House Document No. 153, Seventy-seventh Congress, providing for the construction of dams and power works in the International Rapids section of the St. Lawrence River, and the completion of the St. Lawrence deep waterway, and would authorize and empower the President to fulfill the undertakings made in that agreement on behalf of the United States. The section would further direct that the work allocated for construction by the United States under the agreement shall be undertaken immediately under the direction of the Secretary of War and the supervision of the Chief of Engineers in accordance with the laws, regulations, and procedures applicable to river and harbor projects, and that such work shall be diligently prosecuted with a view of making essential facilities of the projects available for national defense uses at the earliest possible moment.

Under the terms of section 2 of the bill, the President would be authorized and directed to negotiate an arrangement with the power authority of the State of New York for the transfer to such power authority of the power facilities constructed pursuant to the authorization and the right to use the United States share of the waters at the projects for hydroelectric-power purposes upon such terms and conditions as may be agreed upon. The arrangement would include provisions protecting the interests of the United States and assuring a widespread equitable disposition of the power to domestic and rural consumers within economic transmission distances, and provisions for the prior use of such water for the purposes of navigation and the delivery, without charge to the War Department, of so much power as the War Department shall need for the operation of navigation facilities. The arrangement negotiated pursuant to this section would be reported to Congress upon the convening of its next session, and would become effective when ratified by Congress and the State of New York.

Section 3 would authorize the Secretary of War, when he deems it necessary for the purpose of expediting the construction of the project, to enter into contracts without advertising or competitive bidding. The cost-plus-a-percentage-of-cost system of contracting would be forbidden, but the use of the cost-plus-a-fixed-fee form of contract would be permissible when such use is deemed necessary by the Secretary of War.

The concluding sentence of section 3 declares the prior use of all waters of the St. Lawrence River within the boundaries of the United States and all lands, dam sites, and easements required for the purposes of the act to be necessary for the regulation of interstate and foreign commerce.

The feasibility of a waterway to accommodate oceangoing vessels, plying between midcontinent, Atlantic coast, and world markets has been under consideration by both the United States and Canada at various

times during the past half century. Interest in the project has been considerably increased in recent years because of the hydroelectric power potentialities of the St. Lawrence development. The President, in his message of June 5, 1941, recommending authorization of the construction of the St. Lawrence seaway and power project in the interest of national defense, places the generation of electric power on a parity with the transportation facilities of the project.

Extensive surveys have been made over a period of many years by various departments and agencies of the Government to determine the feasibility, potentialities, and cost of the Great Lakes-St. Lawrence waterway and power development. The results of these studies have been reviewed and correlated, and their data brought down to date in the St. Lawrence survey recently undertaken and now nearing completion by the Secretary of Commerce.

The Maritime Commission has reviewed those portions of the St. Lawrence survey that have been published, with particular attention to those phases of the study which pertain to the activities and responsibilities of the Commission under the Merchant Marine Act of 1936 and related authority for emergency maritime programs.

Much of the statistical data contained in part II of the survey, on Shipping Services on the St. Lawrence River, is available to the Maritime Commission by reason of its own studies, and some of the data in that part of the survey was supplied by the Commission, as indicated in the survey.

The conclusions drawn by the survey from its studies on shipping services on the St. Lawrence River are considered by the Commission to be conservative and sound. As set forth on page 6 of the letter of submittal, they are:

"On the basis of all the facts contained in this report, the survey draws the following conclusions from its study of the conditions and limitations of navigation on the St. Lawrence seaway:

"1. The development of the upper St. Lawrence to a depth of initially 27 feet would provide a satisfactory waterway 2,350 miles into the heart of the North American Continent. Over this distance there would be only 67 miles of canals, 8 miles of restricted channels, and 18 locks.

"2. Though by no means as unencumbered as shipping on the high seas, yet the conditions of navigation on the St. Lawrence are not so difficult or hazardous as to make extensive utilization impossible.

"3. The season of navigation, though restricted, is not so short, considering the length of revenue-producing operations permitted, as to make the St. Lawrence route unattractive to shipping lines.

"4. There are, in normal times, enough ships of required draft to navigate a 27-foot channel as proposed. In the light of the factors here cited, it can be confidently expected that there will be enough ships able to navigate from the ocean to the Lakes to take care of available traffic.

"There are, then, no physical or climatic reasons why the St. Lawrence route should be unattractive to shipping lines a good part of each year."

According to the plan, the seaway would have a depth of 27 feet, extending from Montreal through the Great Lakes. The situation with respect to the capacity of the seaway to accommodate oceangoing vessels is summarized below.

On December 31, 1939, the world's ocean-going fleet of merchant vessels of 2,000 gross tons and over comprised 9,161 ships, totaling 52,000,000 gross tons. Of these vessels, 1,296 were under the American flag, a total of 7,800,000 gross tons. The proportions of these vessels (fully loaded), by groups, drawing 25 feet or less appear in the following tables:

Type of vessel	Total number	Total gross tons (millions)	Vessels of 25-foot draft or less	Percent of total vessels	Gross tons, 25-foot draft or less (millions)	Percent of tonnage
<b>WORLD FLEET</b>						
Freighters.....	6,043	30.0	4,541	71	17.7	59
Combination passenger and freight.....	1,202	10.8	563	47	2.9	27
Tankers.....	1,556	11.1	341	22	1.36	12
Total.....	9,161	51.9	5,445	59	21.96	42
<b>UNITED STATES FLEET</b>						
Freighters.....	802	4.07	519	65	2.27	56
Combination passenger and freight.....	141	1.22	76	54	.42	34
Tankers.....	353	2.59	46	13	.21	8
Total.....	1,296	7.88	641	49	2.90	37

The foregoing table is based upon the vessels being fully loaded. It has been estimated that the preponderant proportion of vessels transiting the Panama Canal is comprised of vessels loaded only to two-thirds of capacity. Allowing an additional 8 or 9 percent of the total dead-weight capacity for fuel, water, and supplies a load of 75 percent of dead-weight capacity would appear to

constitute a reasonably accurate and effective yardstick for practical purposes.

Even allowing for an additional 8 inches, the difference between immersion in salt and fresh water, it is estimated that vessels with loaded drafts up to 27 feet loaded to 75-percent capacity on a weight basis could use the proposed seaway. The table would then read as follows:

Type of vessel	Total number	Total gross tons (millions)	Vessels of 27-foot draft or less	Percent of total vessels	Gross tons, 27-foot draft or less (millions)	Percent of tonnage
<b>WORLD FLEET</b>						
Freighters.....	6,403	30.0	5,724	89	24.7	82
Combination passenger and freight.....	1,202	10.8	804	67	5	46
Tankers.....	1,556	11.1	931	60	5.4	49
Total.....	9,161	51.9	7,459	81	35.1	68
<b>UNITED STATES FLEET</b>						
Freighters.....	802	4.07	728	91	3.5	86
Combination passenger and freight.....	141	1.22	97	69	.6	49
Tankers.....	353	2.59	220	62	1.4	54
Total.....	1,296	7.88	1,045	81	5.5	70

On the same basis, the vessels constructed by the Maritime Commission, in both the long-range and emergency programs, with the exception of the *America* and the tankers, would be able to utilize the St. Lawrence seaway.

Part V of the survey is devoted to the St. Lawrence seaway and future transportation requirements. Since this portion of the survey is concerned with the probable effect of the seaway upon other modes of transportation, principally the railroads, no critical comment is offered on the conclusions contained in it. Inasmuch, however, as the progress and development of the American merchant marine are intimately related to the future transportation needs and services of the Nation, the following observations are deemed pertinent:

Twice within 25 years experience has demonstrated that the needs of our national defense for a merchant marine capable of serving as a naval and military auxiliary in time of war or national emergency call for more merchant vessels than have been built by American operators for use in commercial traffic in time of peace.

Present plans for the development of a two-ocean Navy accentuate this problem. An expanded Navy will be severely crippled unless the merchant marine is able to provide it with auxiliaries in time of emergency. This means that a great expansion of the merchant marine is also necessary.

The problem is to maintain, in normal times through the absorption into normal domestic and foreign commerce, a merchant fleet adequate to the needs of national defense.

In 1914 less than 10 percent of the value of our export and import trade was carried in American vessels. The withdrawal of ships from our commerce at the outbreak of World

War No. 1 created severe transportation shortages. The entry of the United States into that war brought on a gigantic shipbuilding program—nearly \$3,500,000,000, for more than 3,000 ships, of 18,500,000 gross tons.

After the war the effort to assimilate our newly constructed merchant vessels into the commerce of the Nation, and to make an effective merchant marine of them proved difficult and complex in the extreme. Nevertheless, at the end of 10 years, in 1929, 33.4 percent of the value of our foreign commerce was carried in American bottoms.

The long-range replacement program of the Maritime Commission, under the Merchant Marine Act of 1936, got under way in 1937. The program called for the construction of 50 ships a year for 10 years. The outbreak of World War No. 2, and the menacing aspects of that spreading conflagration, have resulted in the acceleration of the long-range shipbuilding program of the Maritime Commission under the 1936 act, and in the inauguration of an additional emergency program for the construction of merchant ships to serve our own commercial needs and national defense and to promote the national defense through aid to nations resisting aggression.

No one can foresee with accuracy the conditions that will exist when the present hostilities cease. World conditions, however, have placed beyond question the importance to the United States of maintaining access to the seas. Such access can only be assured through the maintenance of a powerful navy, served by an adequate merchant marine.

When the present hostilities cease, it will again be necessary to provide for the assimilation of an expanded merchant marine into the normal commerce of the country. Since the ships needed for naval and military aux-

iliaries in time of war or national emergency can only be maintained in normal times by absorption into the Nation's foreign and domestic commerce, it is evident that any opportunity to provide for the expansion of the use of merchant vessels in normal trades is worthy of serious consideration.

This is particularly true in the domestic trades. Vessels serving coastwise and intercoastal routes accounted for 64 percent of the number and 60 percent of the tonnage of the vessels (1,000 gross tons and over) in our merchant fleet in 1939. Thus, the domestic trades normally represent nearly two-thirds of our water-borne transportation. Sound planning for the expansion of our merchant marine must therefore include the further development of water-borne transportation in the coastwise and intercoastal trades.

Although vessels engaged in the coastwise and intercoastal trades are protected from foreign competition by the coastwise laws (and therefore are not included in the subsidy programs of the Merchant Marine Act of 1936), the operators have had difficulty in maintaining their services in recent years. Virtually all of the vessels engaged in those trades (before the recent withdrawal as well as at the present time) are obsolete or approaching obsolescence. No means are in sight at the moment for the orderly replacement of these vessels by new construction, although such a replacement program should be undertaken as soon as emergency needs will permit.

While the foregoing review sketches the over-all problem of the development of water-borne transportation, it is evident, as heretofore noted, that any opportunity to provide for the expansion of the use of merchant vessels in normal trades is worthy of serious consideration. There can be little doubt but that the projected seaway would benefit oceangoing transportation in merchant vessels in both the foreign and domestic trades, since the seaway would open to such vessels thousands of miles of additional coast line and would permit them direct access to one of the most highly industrialized and agriculturally prolific regions in the United States.

The Commission is constantly studying how to use to the maximum for defense the shipbuilding resources of the country. There are many shipbuilding sites and prospective supplies of labor in the Great Lakes area not now fully utilized. Temporary expedients are being devised to utilize some ways on the Lakes to build ships to be floated down the Mississippi River. The construction of the St. Lawrence waterway will make possible a much greater use of the Great Lakes yards, and will add to our national shipbuilding resources capacity to build large ships now landlocked from the sea. The sooner the St. Lawrence waterway is built, making the lake yards directly accessible to the sea, the more rapidly can the vast fleet of ships disturbed world conditions make necessary be secured.

In the meantime to any extent that the long-range naval construction program permits the use of the lake shipyards, thus freeing coastal facilities, to that extent cargo-ship construction in coastal yards can be accelerated.

In view of these considerations, and in the light of the exhaustive analyses of the St. Lawrence survey, which indicate that the great preponderance of expert opinion attests the feasibility and value of the projected development, the Maritime Commission favors the proposed legislation.

This report has been submitted to the Director of the Bureau of the Budget and the Commission is now advised that there would be no objection to the submission of the report to your committee.

Sincerely yours,

E. S. LAND, Chairman.



Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. WHERRY. I do not wish to distract the able Senator from his address. However, I am wondering if he has any further comment or observation to make relative to whether this project is to be accomplished by treaty or by agreement. A few moments ago the Senator stated that in 1934 the treaty did not receive a two-thirds vote in the Senate. I am very much interested to know whether the able Senator has any observations to make on the question whether this development can be accomplished by agreement rather than by treaty.

Mr. AIKEN. Personally, I am absolutely satisfied that the agreement is satisfactory. I agree with former Secretary of State Cordell Hull. I do not, however, wish to discuss that matter at this time. I wish to present the merits of the St. Lawrence development itself, and then I rather presume there will be a discussion as to whether it should be done by treaty or agreement. However, I wish to have as many Senators as will listen realize the tremendous benefits of this great project before we take up any other phase of the question.

Mr. WHERRY. I thank the Senator.

Mr. AIKEN. Let me read the statement of William S. Knudsen, lieutenant general, United States Army, Director of War Production, War Department, and member of the War Production Board. This statement was made on July 2, 1941, before the Committee on Rivers and Harbors of the House of Representatives. It is found on pages 813 to 830 of the hearings:

Warfare today is mainly a matter of production of mechanical equipment. No war can be carried on without it, and the power that has the predominance of mechanical equipment has the advantage in the field. So we need production and we need ships to carry the material in. \* \* \*

I believe it is a mistake to have an area like the Great Lakes landlocked, limiting the size of ship you can take out. \* \* \* I believe we should have full access to that great area of skill and material.

When it comes to power, I don't believe we will ever have power enough in the United States.

Hydroelectric power has its advantages. While the first cost is heavy, it is cheaper to produce. Nobody can produce steam power at the cost of hydroelectric power, and wherever it is available, it seems to me, we ought to take advantage of it. There would still be room for the use of all the steam power we could make. \* \* \*

Our defense industries are in constant need of more power. \* \* \* We need power for manufacturing; we need power for domestic use, and wherever we can obtain such power at low cost, I think we should take advantage of the opportunity.

Mr. President, I wish to call attention to the fact that while Mr. Knudsen, who knew what he was talking about, was pleading for the construction of this great development because we did not have power enough, the opponents of the St. Lawrence waterway development were insisting that we did not need more power, and that we had more than we would ever use.

Continuing with the Knudsen statement:

Many of our defense plants are located right around where this power is to be gener-

ated. It is no secret that in the last aluminum expansion we had to arrange for a certain amount of power to be piped over from New York City, after we could not get any more from Canada. I tried to inquire in Canada whether we could get more and they said, "No; we have none to spare; it is all allocated." So there is going to be a demand for power in the United States. Even after the emergency is over, I think there is going to be a greater demand for power, and I think that any investment you can make in power for the future is a good investment for the United States and for the future of the United States.

To show how truly Mr. Knudsen knew what he was talking about, I call attention to the fact that the great aluminum plant at Massena, N. Y., employing 3,500 persons, recently closed down because it did not have sufficient power to operate; and yet there is 2,000,000 horsepower running by that plant, absolutely unharnessed except for a small diversion which the aluminum company itself takes out of the river.

After Mr. Knudsen's testimony Mr. CARTER, a Representative in Congress from the State of California, and one of the bitterest opponents of the seaway, for reasons which I do not know, said—

Your contention, then, is that the steam plants could not be built; is that it?

Mr. KNUDSEN. No, sir. A steam plant can be built at any time.

Mr. CARTER. And they can be built quicker than this project can be completed; is that right?

Mr. KNUDSEN. If that amount of steam power was to be generated, I don't believe it could be produced in that time. There are about 1,640,000 kilowatts, I understand.

Mr. CARTER. Is there a shortage of power in that area at the present time?

Mr. KNUDSEN. Yes, sir.

I feel our way of living, our standard of living, demands that we do more and more to have power perform the work now done by manpower. I think power is progress. Power makes for a better standard of living. I am not a power engineer, nor can I pose as a power expert, but I bought a great deal of power during my 20 years with General Motors, and my 10 years with Mr. Ford. Whenever I bought water power I got it cheaper than I could get steam power, even if I generated that steam power myself.

Mr. ANGELL, another member of the committee, then said:

Production of aluminum requires large bodies of electric power?

Mr. KNUDSEN. Yes, sir. In the production of aluminum, the main factor is electric power.

Mr. ANGELL. And this project has your endorsement for one reason, because it does have the possibility of power coming in later?

Mr. KNUDSEN. Yes, sir.

That is what Mr. Knudsen said to the Committee on Rivers and Harbors in 1941.

Mr. President, I have before me testimony from the Secretary of Commerce, Mr. Jesse Jones, before the same committee, in 1941. I will read only an excerpt from his testimony. During the course of his remarks, Mr. Jones said:

We cannot have too many inland waterways, both in the interests of agriculture, trade, and industry, and for national defense. The value of the St. Lawrence project as a defense measure cannot be too strongly stressed, and I am not thinking just of the immediate emergency, although that, of course, is vital. Regrettable as the thought

of war is, recent developments make it imperative that we be prepared to meet it on any basis at any time. And no time should be lost.

That is what Jesse Jones told Congress on June 23, 1941. I ask unanimous consent to have his statement printed in full at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Department of Commerce has been engaged for over a year in an extensive study of the St. Lawrence navigation and power project. \* \* \* In conducting this investigation the Department has had the cooperation of many agencies of the Government, among others the United States Maritime Commission, the Board of Engineers for Rivers and Harbors of the War Department, the Bureau of Ships of the Navy Department, the Department of State, the Department of Agriculture, and the Department of Labor. The survey has considered the navigational aspects, the economic and commercial phases, the shipbuilding facilities of the Great Lakes, and the relationship of industrial development to low-cost electric power.

As a result of these studies, the experts of the Department of Commerce have found that extensive commercial navigation through the proposed St. Lawrence route is wholly feasible. \* \* \*

The survey of the power requirements in the New York State area indicates that the power is needed and would in any event soon be absorbed in the industrial progress of this region. Power to meet defense needs at this time and for any possible recurring emergency is of course vital.

As a means of commercial intercourse, just as the Panama Canal linked the east and west coasts, the St. Lawrence route would link the Middle West with the Atlantic, the Gulf, and the west coasts.

This enterprise, in my opinion, should be considered in relation to its importance to the Nation as a whole, just as power dams and other waterways have been considered. We develop and maintain inland waterways and intercoastal canals. \* \* \* While each of these is of importance to its particular locality, they are also important to the Nation as a whole. \* \* \*

We cannot have too many inland waterways, both in the interests of agriculture, trade and industry, and for national defense. The value of the St. Lawrence project as a defense measure cannot be too strongly stressed, and I am not thinking just of the immediate emergency, although that, of course, is vital. Regrettable as the thought of war is, recent developments make it imperative that we be prepared to meet it on any basis at any time. And no time should be lost.

It is the Department's conclusion, therefore, that the project should be undertaken. \* \* \*

Regardless of what happens in the immediate war, it seems if we do not make up our minds that war is apt to recur at any time, then I do not think we are smart. I can see nothing except a future, in the lifetime of those of us who are now living, and probably more further on, than a war-torn country or at least a country in a world susceptible to war at any time. \* \* \*

Mr. CULKIN. From your examination of the bill, Mr. Secretary, you, of course, find that New York State participates in the cost of this project to an amount of \$93,375,000. You have viewed the national picture from an economic standpoint more closely, I think, than any man in the country. \* \* \*

What I wish to inquire of you, Mr. Secretary, is as to the present financial status of New York State and its ability to carry out any of its promises.

Secretary JONES. Is that a question?

Mr. CULKIN. Yes.

Secretary JONES. You mean, what do I think of the ability of New York State to carry it out?

Mr. CULKIN. Yes.

Secretary JONES. I think it is ample.

Mr. AIKEN. Mr. President, on December 3, 1943, Mr. Jones appeared before the Committee on Expenditures in the Executive Departments. The following colloquy took place between him and myself.

Senator AIKEN. Mr. Jones, what are the arrangements with the Aluminum Co. of Canada, with regard to the output of the Shipshaw development? Do we have the contract there for over a period of years, and if so, for how long and at what price?

Secretary JONES. Yes; we bought a total of 1,370,000,000 pounds from the Aluminum Co. of Canada—about 600,000,000 pounds have been delivered. It is being delivered at the rate of about 40,000,000 pounds a month, and should be completed in 1944, maybe just a little in 1945.

That was last December.

I continue to read the testimony:

Senator AIKEN. As I understand it, there have been substantial loans made to the Aluminum Co. of Canada. How are they to be paid off?

Secretary JONES. They are paid off at so much a pound out of the purchase price of the aluminum.

Senator AIKEN. What was the amount that was loaned for the Shipshaw development?

Secretary JONES. I think advances were made in the neighborhood of \$68,000,000 but I do not think that the money was used to develop the power plant. At least, we are advised by them that it was not. They already had that in contemplation and probably under way.

Senator FERGUSON. Did they get money which they did not use in the development?

Secretary JONES. Not for the power but in building the plants to manufacture the metal.

Senator FERGUSON. They did use it then in the building of the plants?

Secretary JONES. Yes, that is what it was for; otherwise they could not give us the metal.

Senator FERGUSON. The reason I asked, I wondered if this plant in Canada, the Shipshaw, would be able, after the war, to produce aluminum so cheaply that the plants constructed in this country would be unable to compete with it without protection?

Secretary JONES. I do not think it would need any protection, as against our plants in the Tennessee Valley, some on the Canadian border, and the West because we have just as cheap power as anyone else.

Senator FERGUSON. Are those Government plants or privately owned plants that you are speaking of now, that have the cheap power?

Secretary JONES. Both. For instance, in the Tennessee Valley, Reynolds has the principal property.

In Arkansas we have a big plant and about half of that plant—it is a very big one—can be run with cheap power. The other half is high power. We are buying that from the power companies.

In the West, all of those plants are operated with cheap power.

The CHAIRMAN (Senator HILL). They get Bonneville power?

Secretary JONES. They get the Bonneville power.

Then there is some cheap power, as I say, on the Canadian border, so we will have cheap power enough to much more than supply the demands in this country.

Senator FERGUSON. Does this cheap power from Bonneville Dam apply to private industry?

Secretary JONES. Yes.

Senator FERGUSON. Is it in the nature of a subsidy?

Secretary JONES. No.

Senator FERGUSON. Are you selling it, when you say "cheap," under cost of production?

Secretary JONES. Oh, no; it is not sold under cost of production.

The CHAIRMAN. They are paying just what other users would be paying who were using that particular type of manufacture?

Secretary JONES. Alcoa has some cheap power on this side in northern New York State that is as cheap, or a little cheaper probably, than Bonneville, at least just as cheap.

Senator AIKEN. Would not the St. Lawrence power be the cheapest of all if it had been developed?

Secretary JONES. Yes; I think it would.

Mr. President, in spite of the feeling that we had plenty of power, as I have said, the aluminum plant at Massena, N. Y., on the banks of the St. Lawrence River, right on the site of the proposed development, was closed not long ago. As I understand, 3,500 persons have been thrown out of employment there, and some of them will find it difficult to go anywhere else to obtain employment.

Mr. President, I have presented some of the testimony from high officials of the United States, when they pleaded with Congress in 1941 to construct the St. Lawrence seaway because it looked as if we were going to get into war and would need that development to help us win the war.

The opponents killed the seaway at that time. They killed it largely through delaying tactics. They demanded hearings and hearings and hearings, and they used those hearings to put into circulation half-truths and untruths, to put confusion in the minds of the people.

Anything for delay was the objective then, for they knew that when the war clouds broke, the project would have to be postponed.

Their delaying tactics were successful. The House Rivers and Harbors Committee reported the bill on November 21, 1941, and on December 7, 1941, came Pearl Harbor, and the benefits of the St. Lawrence development again were lost to our country for the duration of this war.

In the hearings at that time, they dragged out the same red herring of treaty versus agreement. Those tactics—the treaty versus Executive agreement technicality—were unsuccessful because the House Rivers and Harbors Committee knew that the special privilege interests of this country were raising the issue solely to defeat the St. Lawrence, and not from any high-minded concern for constitutional principles. The House committee turned them down by a vote of 17 to 8. Even Representative CARTER, from California, the leading opponent, I may say, of the St. Lawrence seaway on that committee, readily admitted that a treaty was not necessarily required.

I am proud of the work of the House Committee on Rivers and Harbors in 1941. My feeling of pride for the committee is as keen as is my sense of shame that here in America we had men whose greed outweighed in the balance the needs of their country.

They knew, as everyone familiar with the situation knew, that we as a nation were going to be short of electric energy; that we were going to be short of ships; that we were desperately short of inland transportation and yet they said there would be power enough for all our needs.

They fought against the building of more ships in the Great Lakes and the means by which those ships could be gotten to the sea.

We have been told on this floor time and time again that aluminum is the basic metal of the airplane industry, and that without airplanes a nation cannot wage war.

It takes 10 kilowatt-hours of electricity to produce each pound of aluminum.

The St. Lawrence power development would have generated 2,200,000 horsepower of electricity, half in Canada and half in the United States.

Because this power was not ready we were forced to buy power from Canada on a day-to-day basis, to generate steam power in the face of a coal shortage, and transmit that power hundreds of miles to Massena, N. Y., within sight of the St. Lawrence River where over 2,000,000 horsepower rushes by unharnessed. This power transmitted from a distance was desperately needed for other purposes and cost over three times as much as Bonneville power or as St. Lawrence power would have cost had it been available.

The power transmitted to Massena costs between 6 and 7 mills per kilowatt as compared with between 3 and 4 mills in the Tennessee Valley, and 2.2 mills on the Pacific coast.

All along the Great Lakes were shipyards which could have been expanded to increase our merchant marine. Ships have been built on the Great Lakes—small warships—and many more could have been quickly and readily built had there been easy access to the sea.

As it is, those that have been constructed on the Great Lakes have been taken to Chicago, dismantled, floated down the 9-foot canal to the lower Mississippi River and put together again there.

I was in Chicago in October and I saw two of those ships. I do not know the proper nautical term, but we would say they were "knocked down." Everything above the deck was being taken off. Floats were put under the ships and they were floated down the canal into the Mississippi River, down to New Orleans, and there put together. The ships had to be sent by that route because the locks at the International Rapids are only 260 feet in length. I understand that it costs approximately \$250,000 a ship to take them apart, put them together again, in addition to the expense of extra manpower necessary to do the work. I have no figures to prove that statement, but the amount seems reasonable.

Mr. President, had the St. Lawrence seaway been constructed, millions of tons of beef, of grain, of industrial machines, and other essential material for prosecuting this war could have been shipped



directly from Duluth, Chicago, Detroit, Milwaukee, Toledo, Cleveland, or Buffalo to the war areas where our men have heroically waited for it. But this could not be done. Instead, this material has had to be unloaded at terminal ports at the Great Lakes, transported overland by overburdened railroads, reloaded at Atlantic coast ports, incurring the terrible consequence of delay as well as increased cost of shipping.

I cannot understand how men responsible for blocking the construction of the St. Lawrence seaway in 1941—men who themselves may have sons fighting on the Rhine or dying in the jungles of the South Pacific—can ever sleep at night.

We know now that the completion of the Great Lakes-St. Lawrence seaway was a vital war necessity. We know just as well that it is equally vital to our post-war peacetime economy.

The Committee on Commerce, which now questions its own jurisdiction over S. 1385, apparently has not always done so, for it has successively requested some of our most important Government agencies to submit their written opinions on the bill.

It appears to me that had there been any question in the minds of the committee over its jurisdiction, it would have been raised over a year ago. In requesting these reports from Government departments, the committee accepted its jurisdiction over the bill and initiated a study of the bill on the merits of the St. Lawrence project itself.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CLARK of Missouri. The Senator from Vermont certainly must know that the reports requested of various agencies are merely a part of the routine. The matter is generally taken care of by the clerk of the committee upon a reference to the committee of a bill.

As a member of the Committee on Commerce, I can testify that the matter was never submitted in any degree whatever, and whatever records were requested were requested by the clerk in the ordinary course, which certainly would not amount to accepting jurisdiction by the committee.

I have been a regular attendant of the meetings of the Committee on Commerce, one of the great committees of the Senate, for which I have a great deal of respect, and membership on which I am proud to have. I have been a member of the committee for approximately 12 years, and I can assure the Senator that no action of any kind was ever taken looking to the acceptance of jurisdiction by that committee over this particular project. At all times it has been the opinion—I will not say of most members—of a number of the members of the committee, that it was a matter not within the jurisdiction of the Commerce Committee and would not be within its jurisdiction until there had been a treaty which had been considered by the Committee on Foreign Relations, as was previously done.

Mr. AIKEN. Does the Senator from Missouri maintain that this question

could not have been raised a year ago just as well as on November 21, 1944?

Mr. CLARK of Missouri. I maintain that the matter has never been before the Commerce Committee. I have always publicly and privately maintained the position that a treaty was involved, as it was when the subject was put before the Senate in 1933, and as it should be at this time, and that the Commerce Committee has no jurisdiction. I intended to raise that point in the form of an objection whenever the matter came before the Committee on Commerce for consideration. The matter has never come before the committee for consideration. That is, it did not come until last week, when a committee was appointed to consider the question of whether the matter involved an Executive agreement or a treaty. But irrespective of what the subcommittee or the full committee might say, I still insist, as a member of the Foreign Relations Committee, that a treaty is involved, and that it should be considered by the Foreign Relations Committee.

Mr. AIKEN. I think the Senator perhaps was not on the floor when I began speaking and invited the attention of the Senate to the fact that an amendment providing for work in the development of waterways on international boundaries, or even in Canada, was nothing new to the Rivers and Harbors Committee, and that, with few exceptions, every single authorization for the development of our water transportation on the Great Lakes and on the St. Lawrence has been made in a river and harbor bill, even though the money was to be spent in Canada or on the international boundary line.

Mr. CLARK of Missouri. Mr. President, if the Senator can show me any constitutional authority for the Congress of the United States appropriating money for the improvement of navigation in any foreign country, I shall be glad to have him show it to me. Many Supreme Court decisions have held that the only justification under the Constitution for flood control, power development, or anything else along that line is on the theory of improving navigation on the navigable streams within the United States. If the Senator can show me any constitutional authority for spending American money for Canadian materials and labor to improve a waterway in Canada, I shall be very glad to have him point it out.

Mr. AIKEN. Mr. President, I think I can show the Senator that it has been done and just how it has been done.

Mr. BAILEY. Mr. President—  
The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Vermont yield to the Senator from North Carolina?

Mr. AIKEN. I yield.

Mr. BAILEY. I think I should make a statement as to the so-called Aiken bill and the St. Lawrence seaway proposition. When the bill was first referred to the Commerce Committee, it occurred to me at once that, since the matter had come before the Senate in 1934 as a treaty, there was some question as to

whether the Commerce Committee should take jurisdiction. I immediately took up the matter with the chairman of the Committee on Foreign Relations, who is now present, and I proposed to come onto the floor of the Senate at that time and ask that the Commerce Committee be discharged from further consideration of the bill and that it be referred to the Committee on Foreign Relations. That would have been the course but for two facts, namely, that the chairman of the Committee on Foreign Relations informed me that I might go ahead; and if the Commerce Committee should reach the conclusion that the matter involved was a treaty, I could then take the action I have indicated. About that time there came about quite an agitation to the effect that the treaty-making power was not involved. So I decided that I would wait until I heard from the State Department. We did not hear from the State Department until about the middle of April. That is the whole situation; but, of course, if the Senator wishes to take the view that we have taken jurisdiction—

Mr. CLARK of Missouri. The committee did not assume jurisdiction.

Mr. BAILEY. I understand; but I am saying that if the Senator from Vermont wishes to take that view I shall not challenge his right to do so, and he can do anything else of that sort he chooses without question from me. I do not want it to appear here, however, that we stepped in and took jurisdiction concerning which we were doubtful. I am saying all this in the presence of the chairman of the Committee on Foreign Relations. I am not calling on him to verify the statement, but I know he will do so in case of necessity. So I am not at all disturbed about the Senator claiming that by some sort of estoppel, I think, we have taken jurisdiction. That is his view.

If the Senate of the United States should take the view that the Commerce Committee has jurisdiction, then the Commerce Committee will go right ahead. At the present time, I will say that we have been having hearings—the Senator from Louisiana [Mr. Overton] is chairman of the subcommittee—on the sole question whether the St. Lawrence seaway proposition as referred to in the bill of the Senator from Vermont is a treaty. We have heard the adviser of the State Department, the counsel of the State Department, Mr. Hackworth; we have heard Dr. Borchard, of Yale; and we have received briefs from others.

Mr. AIKEN. I should like to ask the Senator in whose behalf Dr. Borchard appeared before the committee?

Mr. BAILEY. I am sorry to confess my ignorance. He appeared by invitation, but if he represented anybody I do not know it, and, on the other hand, if he did represent someone I think it would appear in the record. My recollection is that the chairman of the subcommittee invited the State Department to send a representative before the committee. I do not know how Dr. Borchard was sent there; I do not know who

sent him; all I know is I heard him with a great deal of delight.

Mr. CLARK of Missouri. Mr. President, if the Senator from Vermont will permit me—

Mr. AIKEN. I do not yield for long speeches but for reasonable explanations, and I do not yield for dual speeches.

Mr. CLARK of Missouri. Since the name of Dr. Borchard has been mentioned, I should like to say, if the Senator from Vermont will permit me, that I have been a Member of several different committees before which Dr. Borchard has appeared, the Committee on Foreign Relations, the Committee on Finance, and the Committee on Commerce, and in every case so far as I know—and I think I am fully advised about the matter—Dr. Borchard appeared at his own expense, as a public-spirited citizen, and not representing anybody except his own view. I have not always agreed with Dr. Borchard's views, but I do not think that anyone until this moment ever questioned the public spiritedness and high intelligence of Dr. Borchard.

Mr. AIKEN. I still have not heard for whom Dr. Borchard appeared. Does the committee say he appeared in his own behalf as a public-spirited citizen?

Mr. CLARK of Missouri. I did not happen to be at the particular hearing the other day, but in my observation—and I have seen him a number of times—Dr. Borchard has always appeared in his own behalf at his own expense as a public-spirited citizen. As I have said, I have not always agreed with Dr. Borchard in his public views but I think it is only fair that I should make the statement I have made.

Mr. BAILEY. Mr. President, I should like to conclude my statement. I certainly do not wish to prolong the discussion; the fact is I should like to see it come to an end and have an end of the bill now pending.

Mr. AIKEN. I should like to see it come to a happy end, too.

Mr. BAILEY. The Senator is pleading in a very unhappy way to bring about a happy ending, I think.

I should merely like to say about the appearance of Dr. Borchard that if I should hear tomorrow that he was paid \$10,000 by someone to appear, it would not affect my mind in the slightest degree. It did not occur to me to ask if he had been paid—I would be glad if somebody paid him; we had no money to pay him—but I am capable I hope, and I trust I shall always be capable, just as any judge should be, of hearing a man on the merits regardless of the source of his compensation.

Dr. Borchard's brief is here, and I invite the Senator to study it, and I would ask him not to discount the intellectual honesty or integrity of a professor in Yale University on the ground that he represented somebody or that he received a fee. I am not saying that he did. My impression is he received nothing. But the purport and intent of my statement is that it would not have made the slightest difference to me if he had begun his speech by saying that he had received a fee for it. I would have read the speech

and would have read the brief. I am capable of finding the truth, I hope, no matter from what source it may come.

I hope I have cleared that with the Senator as to myself and my relations with this matter. We will take jurisdiction if the Senate thinks we should; but we are going to submit a report, and I think it would be a good thing—I will take the liberty of making the suggestion to the Senator from Vermont—it would be a good thing if he could wait until the report is submitted with the record, and let us go about this matter in an orderly fashion, and ascertain, to begin with, whether it involves a treaty or not. I assure the Senator that he is never going to be able to get anywhere until that question is settled. Why not settle that first?

Mr. AIKEN. Mr. President, I am sorry that, because of the multiplicity of conversations on the floor, I was unable to hear everything the Senator from North Carolina said. However, the Senator from North Carolina and the Senator from Missouri raised a question which caused me to digress very briefly from the discussion of the St. Lawrence seaway.

First, in regard to Mr. Borchard, of Yale, who appeared before the subcommittee of the Committee on Commerce at the hearings on Treaty versus Agreement, I think we are entirely within our rights in assuming that Mr. Borchard appeared in behalf of the opponents of the St. Lawrence seaway; first, because on November 6, 1944, the chairman of the subcommittee advised the members of the subcommittee, as well as Secretary Hull, the Senator from Texas [Mr. CONNALLY], and others, that the opponents would be asked to present their side of the case, which was entirely proper.

Secondly, I hold in my hand a brief which had been prepared by Mr. Borchard for some organization. No name is on it, but I understand it has been incorporated under the name of National St. Lawrence Project Conference.

Mr. MALONEY. Will the Senator yield?

Mr. AIKEN. I yield.

Mr. MALONEY. Dr. Borchard is a resident of my State, and I happen to enjoy his friendship. I should like to know whether the Senator thinks there was anything wrong.

Mr. AIKEN. No; and I do not see why anyone should not say right out that he appeared in behalf of utility companies, because I understand they pay the expenses of this organization.

Mr. CLARK of Missouri. Will the Senator yield?

Mr. AIKEN. I yield.

Mr. CLARK of Missouri. The Senator says he thinks he is safe in assuming Dr. Borchard appeared in behalf of somebody. I do not see on what he bases that assumption. In a little less than a month I shall be out of the Senate, but at a hearing on the St. Lawrence waterway project I intend to appear before the appropriate Senate committee in my own behalf, at my own expense, not representing any utility or any other company, and the Senator will have just as much right to say about me that because I

happen to oppose his particular view I am appearing in behalf of somebody else as he has to say it about Dr. Borchard. He has not a scintilla of evidence that Dr. Borchard is representing anybody except himself. I can assure the Senator that when this matter comes up in the next Congress—and it will be in the next Congress, without any "ifs" and "ands"—I repeat, I shall appear here before the appropriate senatorial committee in my own behalf, as a citizen of the United States, at my own expense, not representing anybody, and the Senator would have just as much right to say about me as he has about Dr. Borchard now that I was representing some special interest and being paid.

Mr. MALONEY. Mr. President, will the Senator yield to me again?

Mr. AIKEN. I yield.

Mr. MALONEY. I do not think this should be made an issue.

Mr. AIKEN. Absolutely not.

Mr. MALONEY. If Dr. Borchard were chosen by some opponents of the proposal, it would be merely a tribute to their good judgment.

Mr. AIKEN. The Senator from Connecticut is absolutely correct. This is not made an issue. I have Dr. Borchard's brief in my hand, and a statement signed by the National St. Lawrence Project Conference, that they had looked around and decided to get the best man to prepare this statement for them, and engaged him to do it. So I do not see why there should be any criticism at all of Dr. Borchard appearing in behalf of this group, composed mostly of public-utility people, and one business or another.

Mr. CLARK of Missouri. I did not mean to say that there would be any reflection on Dr. Borchard if he did appear representing a group. I know Dr. Borchard well enough to know that if he were employed in the matter, representing a group of any sort, he would frankly state that in the very opening statement of his testimony.

Mr. AIKEN. Mr. President, some time ago the question was raised, I think by the Senator from Missouri, although I am not sure as to that, inviting me to point out any instance in which authorization of work begun in a foreign country had been made in a rivers and harbors bill by the Rivers and Harbors Committee. In response to that invitation, if it may be called an invitation, I wish to submit a report which I have received from the Army engineers naming projects which they have worked on in Canada. I asked them to give the name of the development, the cost of the development, and the authorization under which the work was done. I have here the list, which goes back to June 13, 1902, when there was an authorization involving work on Hay Lake and Neebish Channels, in that section of the river below the locks.

On September 22, 1922, authorization was given for widening the upper approach to the canals through Vidal Shoals.

January 21, 1927, there was authorization for the removal of Round Island, middle ground, extension of northwest canal pier, and widening channels Mid-



dle Neebish route. This is all on the St. Marys River, Mich.

On July 3, 1930, an authorization was given for deepening channels throughout the down-bound route.

August 30, 1935, authorization was given for widening Brush Point turn and the channel from Brush Point to Point Louise.

The cost of this work—all United States work done in Canada—was \$1,280,000, the work being on the St. Marys River.

Every one of those projects was authorized after an exchange of notes with Canada, and then it was approved in a river and harbor bill.

Mr. HILL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HILL. I wonder if it is agreeable for the Senator from Vermont to yield the floor at this time, so the Senate may go into executive session and consider executive business?

Mr. AIKEN. Does the Senator anticipate that consideration of executive business will take the remainder of the day?

Mr. HILL. I cannot say. It may take the remainder of the day. Of course, when the Senate goes back into legislative session—

Mr. AIKEN. Because of the discussion which has taken place it has taken me about twice as long as I expected to occupy in speaking in behalf of the St. Lawrence seaway. But, with the understanding that I may have the floor when the Senate reconvenes tomorrow, I gladly yield at this time.

Mr. HILL. I am quite confident that when the Senate resumes consideration of the pending business the Senator from Vermont may obtain the floor to continue his remarks.

Mr. AIKEN. I should like to take about 2 minutes to insert the remainder of the list I have before me at this time.

Mr. HILL. Very well.

Mr. AIKEN. We come to the St. Clair River in Michigan. On July 13, 1892, a 20-foot channel in the river was authorized. On July 3, 1930, authorization was granted for deepening of the channel to 25 and 26 feet, and compensating works. The part of the work which was done in Canada cost \$560,000. The authorizations were placed in river and harbor acts after an exchange of notes. The list contains the dates when exchange of notes were had, and the documents referring to them.

We come next to the Detroit River, Mich. Work was authorized in river and harbor acts passed June 13, 1902, March 3, 1905, and June 25, 1910, on the Amherstburg Channel and removal of Grose Isle Shoal.

Authorization was contained in the river and harbor act of March 4, 1913, for work in Fighting Island Channel. All the works to which I now refer are in the Detroit River. Other authorizations for work in the Detroit River are contained in the list. The United States spent \$19,290,000 on projects in the Detroit River in Canada, and every dollar of it was spent under authorization contained in river and harbor acts, after

exchange of notes between the United States and Canada.

We come then to Niagara River weir above Goat Island. The United States-St. Lawrence Advisory Committee and the Canadian Temporary Great Lakes-St. Lawrence Basin Committee recommended the nature and design of the remedial works and cost allocation, and each country spent \$342,000. There was no authorization whatsoever for that. The money was evidently obtained and both countries proceeded and spent it.

That, Mr. President, completes the list. It shows that all these projects and developments in Canadian waters have been authorized in simple river and harbor acts, just as we are asking that the present project be authorized.

Mr. President, I now ask that the table I have just been discussing be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

#### ST. MARYS RIVER, MICH.

River and Harbor acts	Work authorized (existing project involving work in Canada)	Documents	Cost of all United States work in Canada	Date of latest exchanges of notes with Canada
June 13, 1902	Hay Lake and Neebish Channels, work in that section of the river below the locks.	H. Doc. 128, 56th Cong., 2d sess.	\$1,280,000	July-August 1936; October 1930-February 1931; February-October 1928.
Sept. 22, 1922	Widening upper approach to the canals through Vidal Shoals.	District Engineer Report, Oct. 29, 1920.	-----	-----
Jan. 21, 1927	Removal of Bound Island middle ground, extension of northwest canal pier, and widening channels middle Neebish route.	H. Doc. 270, 69th Cong., 1st sess.	-----	-----
July 3, 1930	Deepening channels throughout the down-bound route.	H. Doc. 253, 70th Cong., 1st sess.	-----	-----
Aug. 30, 1935	Widening Brush Point turn and the channel from Brush Point to Point Louise.	Rivers and Harbors Committee Doc. 53, 74th Cong., 1st sess.	-----	-----

NOTE.—Prior project authorized by acts dating back to July 8, 1856.

#### ST. CLAIR RIVER, MICH.

July 13, 1892	20-foot channel in the river.	H. Doc. 207, 51st Cong., 2d sess.	\$560,000	March-October 1934; April-August 1941.
July 3, 1930	Deepening of channel to 25 and 26 feet, and compensating works.	H. Doc. 253, 70th Cong., 1st sess.	-----	-----

#### DETROIT RIVER, MICH.

June 13, 1902	Amherstburg Channel and removal of Grose Isle Shoal.	H. Doc. 712, 56th Cong., 1st sess., and H. Doc. 40, 58th Cong., 3d sess.	\$19,290,000	September 1933 - October 1934; March 1932.
Mar. 3, 1905	Fighting Island Channel.	H. Doc. 17, 62d Cong., 1st sess.	-----	-----
June 25, 1910	Livingstone Channel.	H. Doc. 266, 59th Cong., 2d sess.; H. Doc. 676, 61st Cong., 2d sess., and H. Doc. 322, 65th Cong., 1st sess.	-----	-----
Mar. 2, 1907				
June 25, 1910				
Mar. 2, 1919				
July 3, 1930	Channel depths of 25 and 26 feet.	H. Doc. 253, 70th Cong., 1st sess.	-----	-----

NOTE.—Prior project authorized by acts dating back to June 23, 1874.

#### NIAGARA RIVER WEIR ABOVE GOAT ISLAND

None	The United States St. Lawrence Advisory Committee and the Canadian Temporary Great Lakes-St. Lawrence Basin Committee recommended the nature and design of the remedial works and cost allocation.	-----	\$342,000	Oct. 27, 1941.
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<sup>1</sup> To June 1944, Canada having spent a like amount.

#### ST. LAWRENCE RIVER BETWEEN OGDENSBURG, N. Y., AND LAKE ONTARIO

All United States work confined to that in United States waters.

Mr. AIKEN. Mr. President, I now gladly yield the floor with the understanding that I may resume tomorrow where I left off today.

#### EXECUTIVE SESSION

Mr. HILL. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. LUCAS in the chair) laid before the Senate a message from the President of the United States submitting several nominations—

and withdrawing a nomination—which were referred to the appropriate committee.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Alexander C. Kirk, of Illinois, now United States representative on the Advisory Council for Italy, to be Ambassador Extraordinary and Plenipotentiary to Italy.

By Mr. REYNOLDS, from the Committee on Military Affairs:

Sundry officers of the Army of the United States for appointment in the Regular Army.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Guffey	Overton
Austin	Gurney	Radcliffe
Bailey	Hall	Reed
Ball	Hatch	Revercomb
Bankhead	Hawkes	Reynolds
Bibbo	Hayden	Robertson
Buck	Hill	Russell
Burton	Holman	Shipstead
Bushfield	Jenner	Stewart
Butler	Johnson, Calif.	Taft
Byrd	Johnson, Colo.	Thomas, Okla.
Capper	Kilgore	Thomas, Utah
Caraway	La Follette	Tunnell
Chandler	Langer	Tydings
Clark, Mo.	Lucas	Vandenberg
Connally	McClellan	Wagner
Cordon	McFarland	Walsh, Mass.
Danaher	McKellar	Walsh, N. J.
Davis	Maloney	Weeks
Downey	Maybank	Wheeler
Eastland	Mead	Wherry
Ellender	Millikin	White
Ferguson	Murray	Wiley
Gerry	Nye	Willis
Gillette	O'Daniel	Wilson
Green	O'Mahoney	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present.

If there be no further reports of committees, the Senate will proceed to consider certain treaties which the Chair is informed are the first business on the calendar.

#### DOUBLE TAXATION CONVENTION WITH CANADA

The Senate, as in Committee of the Whole, proceeded to consider the Convention, Executive G (Seventy-eighth Congress, second session), a convention between the United States of America and Canada for the avoidance of double taxation and the prevention of fiscal evasion in the case of estate taxes and succession duties, signed in Ottawa on June 8, 1944, which was read the second time, as follows:

The Government of the United States of America and the Government of Canada, being desirous of avoiding double taxation and of preventing fiscal evasion in the case of estate taxes and succession duties, have decided to conclude a Convention and for that

purpose have appointed as their Plenipotentiaries:

Ray Atherton, Ambassador Extraordinary and Plenipotentiary of the United States of America at Ottawa, for the United States of America; and

W. L. Mackenzie King, Secretary of State for External Affairs, and Colin W. G. Gibson, Minister of National Revenue, for Canada.

Who, having communicated to one another their full powers found in good and due form, have agreed upon the following Articles:

#### ARTICLE I

1. The taxes referred to in this Convention are:

(a) for the United States of America; the Federal estate taxes;

(b) for Canada; the taxes imposed under the Dominion Succession Duty Act.

2. In the event of appreciable changes in the fiscal laws of either contracting State, the competent authorities of the contracting States, will consult together.

#### ARTICLE II

1. Real property situated in Canada shall be exempt from the application of the taxes imposed by the United States of America.

2. Real property situated in the United States of America shall be exempt from the application of the taxes imposed by Canada.

3. The question whether rights relating to or secured by real property are to be considered as real property for the purposes of this Convention shall be determined in accordance with the laws of the contracting State imposing the tax.

#### ARTICLE III

1. Shares in a corporation organized in or under the laws of the United States of America, of any of the states or territories of the United States of America, or of the District of Columbia, shall be deemed to be property situated within the United States of America.

2. Shares in a corporation organized in or under the laws of Canada, or of any of the provinces or territories of Canada, shall be deemed to be property situated within Canada.

3. This Article shall not be construed as limiting the liability of the estate of any person not domiciled in Canada or of any citizen of the United States of America, under the estate tax laws of the United States of America.

#### ARTICLE IV

1. The situs of property shall be determined in accordance with the laws of the contracting State imposing the tax, except as otherwise provided in this Convention.

2. Allowance for debts shall be determined in accordance with the laws of the contracting State imposing the tax.

3. Domicile shall be determined in accordance with the laws of the contracting State imposing the tax.

#### ARTICLE V

1. In the case of a decedent who at the time of his death was a citizen of, or domiciled in, the United States of America, the United States of America may include in the gross estate any property (other than real property) situated in Canada as though this Convention had not come into effect.

2. In the case of a decedent (other than a citizen of the United States of America) who at the time of his death was domiciled in Canada, the United States of America shall, in imposing the taxes to which this Convention relates:

(a) take into account only property situated in the United States of America; and

(b) allow as an exemption an amount which bears the same ratio to the personal exemption allowed in the case of a decedent

who was at the time of his death a citizen of, or domiciled in, the United States of America as the value of the property of such decedent situated in the United States of America bears to the value of the property included in the entire gross estate of the decedent.

3. In the case of a decedent who at the time of his death was domiciled in Canada, Canada may include in the gross estate any property (other than real property) situated in the United States of America as though this Convention had not come into effect.

4. In the case of a decedent who at the time of his death was domiciled in the United States of America, Canada shall, in imposing the taxes to which this Convention relates:

(a) take into account only property situated in Canada; and

(b) allow as an exemption an amount which bears the same ratio to the personal exemption allowed in the case of a decedent who was at the time of his death domiciled in Canada as the value of the property of such decedent situated in Canada bears to the entire value of the property, wherever situated.

#### ARTICLE VI

1. In the case of a decedent who at the time of his death was a citizen of or domiciled in the United States of America, the United States of America shall impose the estate taxes to which this Convention relates upon the following conditions:

(a) In respect of property situated in Canada which, for the purpose of estate taxes, is included in the gross estate, less such property as is specifically deducted therefrom (either because of transfer for public, charitable, educational, religious or similar uses or because the property has been previously taxed under provisions of law relating to property previously taxed), there shall be allowed against the estate taxes a credit for Canadian succession taxes in respect of the property situated in Canada, the situs of such property being determined in accordance with the laws of Canada, subject to the provisions of this Convention.

(b) The portion of the Canadian succession taxes to be allowed as a credit against United States estate taxes shall be an amount which bears the same ratio to the total Canadian succession taxes as the value of the property situated in Canada and with respect to which estate taxes are imposed by the United States of America bears to the total value of the property with respect to which succession taxes are imposed by Canada.

(c) The credit in any such case shall not exceed an amount which bears the same ratio to such estate taxes, computed without the credit provided for herein, as the value of the property situated in Canada and not excluded or deducted from the gross estate as provided in (a) bears to the value of the entire gross estate.

(d) The values referred to in (c) are the values determined by the United States of America for the purpose of estate taxes.

(e) The credit provided for herein shall apply after the application of section 813 (b) of the Internal Revenue Code, as amended by the Revenue Act of 1942.

2. In the case of a decedent who at the time of his death was domiciled in Canada, Canada shall impose the succession taxes to which this Convention relates upon the following conditions:

(a) In respect of property situated in the United States of America which, for the purpose of succession taxes, is included in the gross estate, less such property as is specifically deducted therefrom (because of transfer for charitable, educational, religious or similar uses), there shall be allowed against the



succession taxes a credit for United States estate taxes in respect of the property situated in the United States of America, the situs of such property being determined in accordance with the laws of the United States of America, subject to the provisions of this Convention.

(b) The portion of the United States estate taxes to be allowed as a credit against Canadian succession taxes shall be an amount which bears the same ratio to the total United States estate taxes as the value of the property situated in the United States of America and with respect to which succession taxes are imposed by Canada bears to the total value of the property with respect to which estate taxes are imposed by the United States of America.

(c) The credit in any such case shall not exceed an amount which bears the same ratio to such succession taxes, computed without the credit provided for herein, as the value of the property situated in the United States of America and not excluded or deducted from the gross estate as provided in (a) bears to the entire value of the property, wherever situated.

(d) The values referred to in (c) are the values determined by Canada for the purpose of succession taxes.

3. (a) The credit referred to in this Article may be allowed by the United States of America if claim therefor is filed within the periods provided in section 813 (b) of the Internal Revenue Code, as amended.

(b) The credit referred to in this Article may be allowed by Canada if claim therefor is filed within the period provided by subsection 4 of section 35 of the Dominion Succession Duty Act relating to refund of overpayment.

(c) A refund based on the credit may be made if a claim therefor is filed within the respective periods above provided.

(d) Any refund based on the provisions of this Article or any other provisions of this Convention shall be made without interest.

#### ARTICLE VII

1. With a view to the prevention of fiscal evasion each of the contracting States undertakes to furnish to the other contracting State as provided in the succeeding Articles of this Convention, the information which its competent authorities have at their disposal or are in a position to obtain under its revenue laws in so far as such information may be of use to the authorities of the other contracting State in the assessment of the taxes to which this Convention relates.

2. The information to be furnished under this Article, whether in the ordinary course or on request, may be exchanged directly between the competent authorities of the two contracting States.

#### ARTICLE VIII

1. The Commissioner shall notify the Minister as soon as practicable when the Commissioner ascertains that in the case of:

(a) a decedent, any part of whose estate is subject to the Federal estate tax laws, there is property of such decedent situated in Canada;

(b) a decedent domiciled in Canada, any part of whose estate is subject to the Dominion Succession Duty Act, there is property of such decedent situated in the United States of America.

2. The Minister shall notify the Commissioner as soon as practicable when the Minister ascertains that in the case of:

(a) a decedent, any part of whose estate is subject to the Dominion Succession Duty Act, there is property of such decedent situated in the United States of America;

(b) a decedent domiciled in the United States of America, any part of whose estate is subject to the Federal estate tax laws, there is property of such decedent situated in Canada.

#### ARTICLE IX

1. If the Minister deems it necessary to obtain the cooperation of the Commissioner in determination of the succession tax liability of any person, the Commissioner may, upon request, furnish the Minister such information bearing upon the matter as the Commissioner is entitled to obtain under the revenue laws of the United States of America.

2. If the Commissioner deems it necessary to obtain the cooperation of the Minister in the determination of the estate tax liability of any person, the Minister may, upon request, furnish the Commissioner such information bearing upon the matter as the Minister is entitled to obtain under the revenue laws of Canada.

#### ARTICLE X

The competent authorities of the contracting States may:

(a) prescribe regulations to carry into effect this Convention within the respective States and rules with respect to the exchange of information;

(b) if doubt arises, settle questions of interpretation or application of this Convention by mutual agreement;

(c) communicate with each other directly for the purpose of giving effect to the provisions of this Convention.

#### ARTICLE XI

If any fiduciary or beneficiary can show that double taxation has resulted or may result in respect of the taxes to which this Convention relates, such fiduciary or beneficiary shall be entitled to lodge a claim or protest with the State of citizenship or domicile of such fiduciary or beneficiary, or, if a corporation or other entity, with the State in which created or organized. If the claim or protest should be deemed worthy of consideration, the competent authority of such State may consult with the competent authority of the other State to determine whether the alleged double taxation exists or may occur and if so whether it may be avoided in accordance with the terms of this Convention.

#### ARTICLE XII

The provisions of this Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the contracting States in the determination of the tax imposed by such State.

#### ARTICLE XIII

1. As used in this Convention:

(a) The term "Minister" means the Minister of National Revenue of Canada or his duly authorized representative.

(b) The term "Commissioner" means the Commissioner of Internal Revenue of the United States of America, or his duly authorized representative.

(c) The term "competent authority" or "competent authorities" means the Commissioner and the Minister and their duly authorized representatives.

2. When used in a geographical sense:

(a) The term "United States of America" includes only the states, the Territory of Alaska, the Territory of Hawaii, and the District of Columbia.

(b) The term "Canada" means the provinces, the territories and Sable Island.

#### ARTICLE XIV

1. This Convention shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

2. This Convention shall be deemed to have come into effect on the fourteenth day of June, 1941. It shall continue in effect for a period of five years from that date and indefinitely after that period, but may be terminated by either of the con-

tracting States at the end of the five year period or at any time thereafter provided that at least six months prior notice of termination has been given.

Done in duplicate, at Ottawa, this eighth day of June, 1944.

RAY ATHERTON.  
W. L. MACKENZIE KING.  
COLIN GIBSON.

Mr. BILBO. Mr. President, will the Senator from Texas make a brief explanation of the convention?

Mr. CONNALLY. Mr. President, the treaty relates only to estate taxes, and it deals with the subject of American citizens owning properties in Canada and Canadian citizens owning properties in the United States. Its purpose is to avoid double taxation in both jurisdictions. Under Canadian law, the stock of a corporation in Canada is taxed, even though it may be owned in the United States, and regardless of the residence of the owner. For the United States to assess an inheritance tax would amount to a double burden on that kind of an estate. It is to avoid that situation that this convention has been agreed to.

Mr. CLARK of Missouri. Mr. President, I was a member of the subcommittee which considered this convention. The purpose of it is to grant a credit to citizens of the United States as to the stocks of Canadian corporations, and to citizens of Canada as to the stocks of American corporations, to avoid double taxation on such stocks. I do not think there can be any possible objection to the convention.

The PRESIDING OFFICER. The convention is before the Senate as in Committee of the Whole, and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

*Resolved (two-thirds of the Senators present concurring therein).* That the Senate advise and consent to the ratification of Executive G, Seventy-eighth Congress, second session, a convention between the United States of America and Canada for the avoidance of double taxation and the prevention of fiscal evasion in the case of estate taxes and succession duties, signed in Ottawa on June 8, 1944.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention is ratified.

#### DOUBLE TAXATION CONVENTION WITH FRANCE

The Senate, as in Committee of the Whole, proceeded to consider the convention and protocol, Executive I (Seventy-eighth Congress, second session), a convention and protocol between the United States of America and France, signed at Paris on July 25, 1939, for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of

income and other taxes, which was read the second time, as follows:

**CONVENTION FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE ESTABLISHMENT OF RULES OF RECIPROCAL ADMINISTRATIVE ASSISTANCE IN THE CASE OF INCOME AND OTHER TAXES**

The President of the United States of America and the President of the French Republic, being desirous of avoiding double taxation and of establishing rules of reciprocal administrative assistance in the case of income and other taxes, have decided to conclude a convention and for that purpose have appointed as their respective Plenipotentiaries:

The President of the United States of America:

Mr. William Christian Bullitt, Ambassador Extraordinary and Plenipotentiary of the United States of America to France;

The President of the French Republic: M. Georges Bonnet, Member of the Chamber of Deputies, Minister for Foreign Affairs, who, having communicated to one another their full powers found in good and due form, have agreed upon the following Articles:

**TITLE I. DOUBLE TAXATION**

**Article 1**

The taxes referred to in this Convention are:

- (a) In the case of the United States of America: The federal income taxes, including surtaxes and excess-profits taxes;
- (b) In the case of France:
  - (1) The real estate tax;
  - (2) The industrial and commercial profits tax;
  - (3) The annual tax on undistributed profits;
  - (4) The agricultural profits tax;
  - (5) The tax on salaries, allowances and emoluments, wages, pensions and annuities;
  - (6) The professional profits tax;
  - (7) The tax on income from securities and movable capital;
  - (8) The general income tax.

**Article 2**

Income from real property, including income from agricultural undertakings, shall be taxable only in the State in which such real property is situated.

**Article 3**

An enterprise of one of the contracting States is not subject to taxation by the other contracting State in respect of its industrial and commercial profits except in respect of such profits allocable to its permanent establishment in the latter State.

No account shall be taken, in determining the tax in one of the contracting States, of the purchase of merchandise effected therein by an enterprise of the other State for the purpose of supplying establishments maintained by such enterprise in the latter State.

The competent authorities of the two contracting States may lay down rules by agreement for the apportionment of industrial and commercial profits.

The term "industrial and commercial profits" shall not include the following:

- (a) Income from real property;
- (b) Income from mortgages, from public funds, securities (including mortgage bonds), loans, deposits and current accounts;
- (c) Dividends and other income from shares in a corporation;
- (d) Rentals or royalties arising from leasing personal property or from any interest in such property, including rentals or royalties for the use of, or for the privilege of using, patents, copyrights, secret processes and formulae, goodwill, trade marks, trade brands, franchises and other like property;
- (e) Profit or loss from the sale or exchange of capital assets.

Subject to the provisions of this Convention the income referred to in paragraphs (a), (b), (c), (d) and (e) shall be taxed separately or together with industrial and com-

mercial profits in accordance with the laws of the contracting States.

**Article 4**

American enterprises having permanent establishments in France are required to submit to the French fiscal administration the same declarations and the same justifications, with respect to such establishments, as French enterprises.

The French fiscal administration has the right, within the provisions of its national legislation and subject to the measures of appeal provided in such legislation, to make such corrections in the declaration of profits realized in France as may be necessary to show the exact amount of such profits.

The same principle applies mutatis mutandis to French enterprises having permanent establishments in the United States.

**Article 5**

When an American enterprise, by reason of its participation in the management or capital of a French enterprise, makes or imposes on the latter, in their commercial or financial relations, conditions different from those which would be made with a third enterprise, any profits which should normally have appeared in the balance sheet of the French enterprise, but which have been in this manner, diverted to the American enterprise, are, subject to the measures of appeal applicable in the case of the tax on industrial and commercial profits, incorporated in the taxable profits of the French enterprise.

The same principle applies mutatis mutandis, in the event that profits are diverted from an American enterprise to a French enterprise.

**Article 6**

Income derived by navigation enterprises of one of the contracting States from the operation of ships documented under the laws of that State shall continue to benefit in the other State by the reciprocal tax exemptions accorded by the exchange of notes of June 11 and July 8, 1927 between the United States of America and France.

Income which an enterprise of one of the contracting States derives from the operation of aircraft registered in that State shall be exempt from taxation in the other State.

**Article 7**

Royalties from real property or in respect of the operation of mines, quarries or other natural resources shall be taxable only in the contracting State in which such property, mines, quarries or other natural resources are situated.

Royalties derived from within one of the contracting States by a resident or by a corporation or other entity of the other contracting State as consideration for the right to use copyrights, patents, secret processes and formulae, trademarks and other analogous rights shall be exempt from taxation in the former State, provided such resident, corporation or other entity does not have a permanent establishment there.

**Article 8**

Wages, salaries and similar compensation and pensions paid by one of the contracting States or by a political subdivision thereof to individuals residing in the other State shall be exempt from taxation in the latter State.

Private pensions and life annuities derived from within one of the contracting States and paid to individuals residing in the other contracting State shall be exempt from taxation in the former State.

**Article 9**

Income from labor or personal services shall be taxable only in the State in which the taxpayer carries on his personal activity.

This provision does not apply to the income referred to in Article 8.

**Article 10**

Income from the exercise of a liberal profession shall be taxable only in the State in which the professional activity is exercised.

There is the exercise of a liberal profession in one of the two contracting States only when the professional activity has a fixed center in that country.

**Article 11**

Gains derived in one of the contracting States from the sale or exchange of stocks, securities or commodities by a resident or a corporation or other entity of the other contracting State shall be exempt from taxation in the former State, provided such resident or corporation or other entity has no permanent establishment in the former State.

**Article 12**

Students from one of the contracting States residing in the other contracting State exclusively for the purpose of study shall not be taxable by the latter State in respect of remittances received from within the former State for the purpose of their maintenance or studies.

**Article 13**

In the calculation of taxes established in one of the contracting States on the use of property or increment of property of an enterprise of the other State, account shall be taken only of that portion of the capital situated or employed and allocable to a permanent establishment within the former State.

The foregoing provision shall apply to the French "patent" tax and the United States capital stock tax even though these two taxes have not been referred to in Article 1 of the present Convention.

In the application of the present Article navigation enterprises of one of the contracting States, enjoying in the other State the benefits of Article 6 of the present Convention, shall not be considered as having a permanent establishment in the latter State insofar as shipping activities are concerned.

**Article 14**

It is agreed that double taxation shall be avoided in the following manner:

A. As regards the United States of America: Notwithstanding any other provision of this Convention, the United States of America in determining the income and excess-profits taxes, including all surtaxes, of its citizens, or residents, or corporations, may include in the basis upon which such taxes are imposed, all items of income taxable under the Revenue Laws of the United States of America, as though this Convention had not come into effect. The United States of America shall, however, deduct from the taxes thus computed the amount of French income tax paid. This deduction shall be made in accordance with the benefits and limitations of Section 131 of the United States Internal Revenue Code relating to credit for foreign taxes.

B. As regards France:

(a) **Schedular taxes:** Income from securities, debts and trusts having its source in the United States of America shall be subject in France to the tax on income from securities; but this tax shall be reduced by the amount of the tax already paid in the United States of America on the same income. In consideration of the fiscal regime to which the legislation of the United States of America subjects the income of nonresident aliens and foreign corporations or other entities, the deduction of the tax paid in the United States of America shall be effected in a lump sum through a reduction of 12 in the rate of the tax established by the French law.

The income other than that indicated in the preceding paragraph shall not be subject to any schedular tax in France when, accord-



ing to this Convention, it is taxable in the United States of America.

(b) General tax on revenue: Notwithstanding any other provision of the present Convention, the general income tax can be determined according to all the elements of taxable income as imposed by French fiscal legislation.

However, the provisions of the first paragraph of Article 114 of the French Code on direct taxation relative to the taxation of aliens domiciled or resident in France shall continue to be applied.

#### Article 15

In derogation of Article 3 of the Decree of December 6, 1872, American corporations which maintain in France permanent establishments shall be liable to the tax on income from securities on three-fourths of the profits actually derived from such establishments, the industrial and commercial profits being determined in accordance with Articles 3 and 4 of this Convention.

The remaining one-fourth shall, in all cases, be taken as the basis of the annual tax on undistributed profits applicable to the same corporations.

#### Article 16

An American corporation shall not be subject to the obligations prescribed by Article 3 of the Decree of December 6, 1872, by reason of any participation in the management or in the capital of, or any other relations with, a French corporation. In such case, the tax on income from securities continues to be levied, in conformity with French legislation, on the dividends, interest and all other distributions made by the French enterprise; but it is moreover collectible, if the occasion arises, and subject to the measures of appeal applicable in the case of the tax on income from securities, with respect to the profits which the American corporation derives from the French corporation under the conditions prescribed in Article 5.

#### Article 17

The American corporations subject to the provisions of Article 3 of the Decree of December 6, 1872, who were not placed under the special regime established by Articles 5 and 6 of the Convention for the avoidance of double income taxation between the United States of America and France, signed April 27, 1932, may, during a new period of six months from the date of the entry into force of the present Convention, exercise with reference to past years, the option provided in those two articles under the conditions which they prescribe.

Moreover, the American corporations contemplated in the third paragraph of Article 10 of the Convention of April 27, 1932, may be admitted to benefit from the provisions of that paragraph, when the tax has not yet been paid, if the latter was not found to be payable, prior to May 1, 1930, by a definitive judicial decision or if such decision has been the subject of an appeal in cassation.

#### Article 18

Any United States income tax liability remaining unpaid as at the effective date of this Convention for years beginning prior to January 1, 1936 of any individual resident of France (other than a citizen of the United States of America) or of a French corporation may be adjusted by the Commissioner of Internal Revenue of the United States of America, on the basis of the provisions of the United States Revenue Act of 1936. However, no adjustment will be made more than two years subsequent to the effective date of this Convention unless the taxpayer files a request with the Commissioner of Internal Revenue prior to such date.

#### Article 19

Notwithstanding any other provision of this Convention, in order to avoid double tax-

ation on public servants, employees of one of the contracting States being citizens of that State and remunerated by it, who have been received by the other State to perform services in such State shall be exempt in their principal places of residence from direct and personal taxes whether national, state or local.

Such employees who own real property in the State in which they perform services shall not benefit from the above exemptions with respect to the taxes levied on such real property. Employees who engage in any private gainful occupation in such State shall not be entitled to any exemption under this Article.

### TITLE II. FISCAL ASSISTANCE

#### Article 20

With a view to the more effective imposition of the taxes to which the present Convention relates, the contracting States undertake, on condition of reciprocity, to furnish information of a fiscal nature which the authorities of each State concerned have at their disposal, or are in a position to obtain under their own laws, that may be of use to the authorities of the other State in the assessment of the said taxes.

Such information shall be exchanged between the competent authorities of the contracting States in the ordinary course or on request.

#### Article 21

In accordance with the preceding Article, the competent authorities of the United States of America will transmit to the competent authorities of France, as regards any person, corporation or other entity (other than a citizen, corporation or other entity of the United States of America) having an address in France and deriving from sources within the United States of America rents, dividends, interest, royalties, income from trusts, wages, salaries, pensions, annuities, or other fixed or determinable periodical income, the name and address of such person, corporation or other entity as well as the amount of such income.

The competent authorities of France will transmit to the competent authorities of the United States of America, as regards any person, corporation or other entity (other than a citizen, corporation or other entity of France) having an address in the United States of America and deriving from sources within France rents, dividends, interest, royalties, income from trusts, wages, salaries, pensions, annuities, or other fixed or determinable periodical income, the name and address of such person, corporation or other entity as well as the amount of such income.

The information relating to each year will be transmitted as soon as possible after December 31.

#### Article 22

The competent authorities of each of the contracting States shall be entitled to obtain, through diplomatic channels, from the competent authorities of the other contracting States, except with respect to citizens, corporations or other entities of the State to which application is made, particulars in concrete cases necessary for the establishment of the taxes to which the present Convention relates.

However, the competent authorities of each State shall not be prevented from transmitting to the competent authorities of the other State information relating to their own nationals (citizens, corporations or other entities) if they deem it opportune for the prevention of fiscal evasion.

#### Article 23

Each contracting State undertakes to lend assistance and support in the collection of the taxes to which the present Convention relates, together with interest, costs, and additions to the taxes and fines not being of a penal character according to the laws of

the State requested, in the cases where the taxes are definitively due according to the laws of the State making the application.

In the case of an application for enforcement of taxes, revenue claims of each of the contracting States which have been finally determined shall be accepted for enforcement by the State to which application is made and collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes.

The application shall be accompanied by such documents as are required by the laws of the State making the application, to establish that the taxes have been finally determined.

If the revenue claim has not been finally determined, the State to which application is made may, at the request of the State making the application, take such measures of conservancy as are authorized by the laws of the former State for the enforcement of its own taxes.

The assistance provided for in this Article shall not be accorded with respect to the citizens, corporations or other entities of the State to which application is made.

#### Article 24

In no case shall the provisions of Article 22 relating to particulars in concrete cases, or of Article 23 relating to mutual assistance in the collection of taxes, be construed so as to impose upon either of the contracting States the obligation to carry out administrative measures at variance with the regulations and practice of either contracting State, or to supply particulars which are not procurable under the law of the State to which application is made, or that of the State making application.

The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it. Nevertheless, such State may refuse to comply with the request for reasons of public policy or if compliance would involve violation of a business, industrial, or trade secret. In such case it shall inform, as soon as possible, the State making the application.

#### Article 25

Any taxpayer who shows proof that the action of the revenue authorities of the contracting States has resulted in double taxation in his case in respect of any of the taxes to which the present Convention relates, shall be entitled to lodge a claim with the State of which he is a citizen or, if the taxpayer is a corporation or other entity, with the State in which it is created or organized. Should the claim be upheld, the competent authority of such States may come to an agreement with the competent authority of the other State with a view to equitable avoidance of the double taxation in question.

#### Article 26

The competent authorities of the two contracting States may prescribe regulations necessary to interpret and carry out the provisions of this Convention. With respect to the provisions of this Convention relating to exchange of information and mutual assistance in the collection of taxes, such authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, rates of conversion of currencies, transfer of sums collected, minimum amounts subject to collection, payment of costs of collection, and related matters.

### TITLE III. GENERAL PROVISIONS

#### Article 27

The present Convention shall be ratified, in the case of the United States of America by the President, by and with the advice and consent of the Senate, and in the case of France, by the President of the French Republic with the consent of the Parliament.

This Convention shall become effective on the first day of January following the exchange of the instruments of ratification.

The Convention shall remain in force for a period of five years and indefinitely thereafter but may be terminated by either contracting State at the end of the five-year period or at any time thereafter, provided six months' prior notice of termination has been given, the termination to become effective on the first day of January following the expiration of the six-month period.

Upon the coming into effect of this Convention, the Convention for the avoidance of double income taxation between the United States of America and France, signed April 27, 1932 shall terminate.

Done at Paris, in duplicate, in the English and French languages, this 25th day of July, 1939.

[SEAL]  
[SEAL]

WILLIAM C. BULLITT  
GEORGES BONNET

#### PROTOCOL

At the moment of signing the present Convention for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxes, the undersigned Plenipotentiaries have agreed that the following provisions shall form an integral part of the Convention:

#### I

The present Convention is concluded with reference to American and French law in force on the day of its signature.

Accordingly, if these laws are appreciably modified the competent authorities of the two States will consult together.

#### II

The income from real property referred to in Article 2 of the present Convention shall include profits from the sale or exchange of the said property, but shall not include interest on mortgages or obligations secured by the said property.

#### III

As used in this Convention:

(a) The term "permanent establishment" includes branches, mines and oil wells, plantations, factories, workshops, stores, purchasing and selling and other offices, agencies, warehouses, and other fixed places of business but does not include a subsidiary corporation.

When an enterprise of one of the contracting States carries on business in the other State through an employee or agent, established there, who has general authority to negotiate and conclude contracts or has a stock of merchandise from which he regularly fills orders which he receives, this enterprise shall be deemed to have a permanent establishment in the latter State. But the fact that an enterprise of one of the contracting States has business dealings in the other State through a bona fide commission agent or broker shall not be held to mean that such enterprise has a permanent establishment in the latter State.

Insurance enterprises shall be considered as having a permanent establishment in one of the States as soon as they receive premiums from or insure risks in the territory of that State.

(b) The term "enterprise" includes every form of undertaking whether carried on by an individual, partnership, corporation, or any other entity.

(c) The term "enterprise of one of the contracting States" means, as the case may be, "United States enterprise" or "French enterprise."

(d) The term "United States enterprise" means an enterprise carried on in the United States of America by a resident of the United States of America or by a United States corporation or other entity.

The term "United States corporation or other entity" means a partnership, corpora-

tion or other entity created or organized in the United States of America or under the law of the United States of America or of any State or Territory of the United States of America.

(e) The term "French enterprise" is defined in the same manner, mutatis mutandis, as the term "United States enterprise."

#### IV

The term "life annuities" referred to in Article 8 of this Convention means a stated sum payable periodically at stated times during life, or during a specified number of years to the person who has paid the premiums or a gross sum for such an obligation.

#### V

Citizens and corporations or other entities of one of the contracting States within the other contracting State shall not be subjected as regards the taxes referred to in the present Convention, to the payment of higher taxes than are imposed upon the citizens or corporations or other entities of such latter State.

#### VI

The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit, allowance, or other advantage accorded by the laws of one of the contracting States in the determination of the tax imposed by such State.

#### VII

Documents and information contained therein, transmitted under the provisions of this Convention by one of the contracting States to the other contracting State shall not be published, revealed or disclosed to any person except to the extent permitted under the laws of the latter State with respect to similar documents or information.

#### VIII

As used in this Convention the terms "competent authority" or "competent authorities" means, in the case of the United States of America, the Secretary of the Treasury and in the case of France, the Minister of Finance.

#### IX

The term "United States of America" as used in this Convention in a geographic sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.

#### X

The term "France", when used in a geographic sense, indicates continental France, exclusive of Algeria and the Colonies.

#### XI

Should any difficulty or doubt arise as to the interpretation or application of the present Convention, or its relationship to Conventions between one of the contracting States and any other State, the competent authorities of the contracting States may settle the question by mutual agreement.

Done in duplicate at Paris, this 25th day of July 1939.

WILLIAM C. BULLITT  
GEORGES BONNET

The PRESIDING OFFICER. The convention and protocol are before the Senate as in Committee of the Whole, and open to amendment. If there be no amendment to be proposed, the convention and protocol will be reported to the Senate.

The convention and protocol were reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

*Resolved (two-thirds of the Senators present concurring therein), That the Senate ad-*

vised and consent to the ratification of Executive I, Seventy-eighth Congress, second session, the convention and protocol between the United States of America and France, signed at Paris on July 25, 1939, for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxes.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention and protocol are ratified.

#### PROTOCOL PROLONGING THE INTERNATIONAL AGREEMENT REGARDING THE REGULATION OF PRODUCTION AND MARKETING OF SUGAR

The Senate, as in Committee of the Whole, proceeded to consider the protocol, Executive J (Seventy-eighth Congress, second session), a protocol signed in London, August 31, 1944, prolonging the international agreement regarding the regulation of production and marketing of sugar, which was read the second time, as follows:

Whereas an International Agreement regarding the Regulation of the Production and Marketing of Sugar (hereinafter referred to as "the Agreement") was signed in London on the 6th May, 1937;

And whereas by a Protocol signed in London on the 22nd July, 1942, the Agreement was regarded as having come into force on the 1st September, 1937, in respect of the Governments signatory of the protocol;

And whereas it was provided in the said Protocol that the Agreement should continue in force between the said Governments for a period of two years after the 31st August, 1942;

Now, therefore, the Governments signatory of the present Protocol, considering that it is expedient that the Agreement should be prolonged for a further term as between themselves, subject, in view of the present emergency, to the conditions stated below, have agreed as follows:—

#### ARTICLE 1

Subject to the provisions of Article 2 hereof, the Agreement shall continue in force between the Governments signatory of this Protocol for a period of one year after the 31st August, 1944.

#### ARTICLE 2

During the period specified in Article 1 above the provisions of Chapters III, IV and V of the Agreement shall be inoperative.

#### ARTICLE 3

1. The Governments signatory of the present Protocol recognise that revision of the Agreement is necessary and should be undertaken as soon as the time appears opportune. Discussion of any such revision should take the existing Agreement as the starting point.

2. For the purposes of such revision due account shall be taken of any general principles of commodity policy embodied in any agreements which may be concluded under the auspices of the United Nations.

#### ARTICLE 4

Before the conclusion of the period of one year specified in Article 1 the contracting Governments, if the steps contemplated in Article 3 have not been taken, will discuss the question of a further renewal of the Agreement.

#### ARTICLE 5

The present Protocol shall bear the date the 31st August, 1944, and shall remain open for



signature until the 30th September, 1944; provided however that any signatures appended after the 31st August 1944, shall be deemed to have effect as from that date.

In witness whereof the undersigned being duly authorized thereto by their respective Governments have signed the present Protocol.

Done in London on the 31st day of August, 1944, in a single copy which shall be deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, and of which certified copies shall be furnished to the signatory Governments.

For the Government of the Union of South Africa:

DENEYS REITZ.

For the Government of the Commonwealth of Australia:

S. M. BRUCE.

For the Government of Belgium:

VTE DE LANTSHEERE.

For the Government of Brazil:

MONIZ DE ARAGAO.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

ANTHONY EDEN.

For the Government of the Republic of Cuba:

G. DE BLANCK.

For the Government of Czechoslovakia:

DR. V. JANSÁ.

For the Government of the Dominican Republic:

R. PÉREZ-ALFONSECA.

For the Government of Haiti:

JOHN G. WINANT.

For the Government of the Netherlands:

E. TEIXEIRA DE MATTOS.

For the Government of Peru:

F. BERCKEMEYER.

For the Government of Portugal:

PALMELLA.

For the Government of the Union of Soviet Socialist Republics:

F. GOUSEV.

For the Government of the United States of America:

JOHN G. WINANT.

(Subject to ratification.)

(In respect of the Commonwealth of the Philippines):

JOHN G. WINANT.

For the Government of Poland:

Z. MERDINGER.

Certified a true copy:

[SEAL]

J. F. FRENCH.

*Acting Librarian and Keeper of the Papers for the Secretary of State for Foreign Affairs.*

LONDON, 7 Oct. 1944.

PROTOCOL TO ENFORCE AND TO PROLONG AFTER AUGUST 31, 1942, THE INTERNATIONAL AGREEMENT REGARDING THE REGULATION OF PRODUCTION AND MARKETING OF SUGAR, SIGNED IN LONDON ON MAY 6, 1937.

Whereas an Agreement regarding the Regulation of Production and Marketing of Sugar (hereafter referred to as the Agreement) was signed in London on the 6th May, 1937; and

Whereas Article 48 of the Agreement provides as follows:

"(a) The present Agreement shall come into force on the 1st September, 1937, if at that date it has been ratified by all the signatory Governments;

"(b) If by the above-mentioned date the instruments of ratification of all the signatories have not been deposited, the Governments which have ratified the Agreement may decide to put it into force among themselves"; and

Whereas the ratifications of all the signatories were not deposited by the 1st September, 1937; and

Whereas the Agreement has been ratified by the Governments of the following countries:

Union of South Africa,  
Commonwealth of Australia,  
Brazil,  
Belgium,  
United Kingdom of Great Britain and Northern Ireland,  
Cuba,  
Czechoslovakia,  
Dominican Republic,  
Germany,  
Haiti,  
Hungary,  
India,  
Netherlands,  
Peru,  
Poland,  
Portugal,  
Union of Soviet Socialist Republics,  
United States of America;

and

Whereas it seems desirable that the said Agreement should be put in force between those Governments which have ratified it,

Now, therefore, the undersigned being duly authorised by their respective Governments have agreed as follows:

#### ARTICLE 1

The Agreement shall be regarded as having come into force in respect of the Governments signatories of the present Protocol, on the 1st September, 1937.

#### ARTICLE 2

After the 31st August, 1942, the Agreement shall continue in force among the said Governments for a period of two years from that date.

#### ARTICLE 3

The present Protocol shall bear this day's date and shall remain open for signature until the 31st August, 1942. It shall take effect in respect of each signatory Government on the date of signature.

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, have signed the present Protocol.

Done in London on the 22nd day of July 1942, in a single copy which shall be deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, and of which certified copies shall be furnished to the signatory Governments.

For the Government of the Union of South Africa:

SIDNEY F. WATSON.

For the Government of the Commonwealth of Australia:

S. M. BRUCE.

For the Government of Brazil:

J. C. DE ALENAR NETTO.

For the Government of Belgium:

P. KRUNACKER.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

ANTHONY EDEN.

For the Government of the Republic of Cuba:

G. DE BLANCK.

For the Government of Czechoslovakia:

V. JANSÁ.

For the Government of the Dominican Republic:

R. PÉREZ-ALFONSECA.

For the Government of Haiti:

JOHN G. WINANT.

For the Government of the Netherlands:

E. MICHELS V. VERDUYEN.

For the Government of Peru:

E. LETTS.

For the Government of Portugal:

ARMINDO MONTEIRO.

For the Government of the Union of Soviet Socialist Republics:

J. MAISKY.

For the Government of the United States of America:

JOHN G. WINANT.

(In respect of the Commonwealth of the Philippines):

JOHN G. WINANT.

Certified a true copy:

[SEAL]

STEPHEN GASELEE.

*Librarian and Keeper of the Papers at the Foreign Office.*

LONDON, 4th Sept. 1942.

Mr. CONNALLY. Mr. President, Senators are no doubt familiar with the original convention relating to sugar control. It is largely through that authority that we have adopted our own measures of sugar control in this country. The original convention had a vitality of 5 years. Thereafter a protocol was executed extending the period for 2 years. That period of 2 years has expired, and the present protocol is merely an extension for an additional year, from August 31, 1944, to August 31, 1945. The matter was thoroughly considered in the Committee on Foreign Relations, and there was no objection whatever to the extension.

The PRESIDING OFFICER. The protocol is before the Senate as in Committee of the Whole, and open to amendment. If there be no amendment to be proposed, the protocol will be reported to the Senate.

The protocol was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

*Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive J, Seventy-eighth Congress, second session, a protocol, signed in London August 31, 1944, prolonging the international agreement regarding the regulation of production and marketing of sugar.*

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the protocol is ratified.

The PRESIDING OFFICER. That completes the treaties. The clerk will now proceed to state the nominations on the calendar.

#### THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army, which nominations had previously been passed over.

Mr. HILL. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

#### POSTMASTER—ADVERSE REPORT

The legislative clerk read the nomination of Rachel Elgiva McCracken to be postmaster at Galt, Mo., which had been adversely reported from the Committee on Post Offices and Post Roads, and which had been previously passed over.

Mr. CLARK of Missouri. Mr. President, my colleague, the Vice President-elect [Mr. TRUMAN] objects to the confirmation of this nomination on personal

grounds, and I ask that it go over until his return.

Mr. HILL. Mr. President, I understand that there is no objection to sustaining the action of the committee.

Mr. CLARK of Missouri. If the action of the committee is to be sustained, I have no objection.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

Mr. HILL. Mr. President, as I understand, the Senate Committee on Post Offices and Post Roads has reported adversely on the nomination, and has recommended to the Senate that the nomination be not confirmed. That is the action requested by both Senators from Missouri.

Mr. CLARK of Missouri. That is correct.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was rejected.

#### DEPARTMENT OF STATE

The legislative clerk read the nomination of Joseph C. Grew to be Under Secretary of State.

Mr. CONNALLY. Mr. President, I do not care to take up the time of the Senate on this nomination. I ask that the nomination be confirmed. There was no objection whatever in the committee, and the nomination was unanimously reported by the Committee on Foreign Relations.

Mr. GUFFEY. Mr. President, I should like to read an editorial, before the nomination is voted upon.

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. GUFFEY. I yield.

Mr. HILL. I wonder if I may ask that the Senate proceed to consider nominations on the calendar to which there is no objection, and let the other nominations go over for a few minutes, until we can clean up the unobjectioned to or unquestioned nominations on the calendar.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and the clerk will proceed to state the nominations on the calendar to which there is no objection.

#### FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Foreign Service.

Mr. HILL. Mr. President, I ask unanimous consent that the Foreign Service nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Foreign Service nominations are confirmed en bloc.

#### THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. HILL. I ask unanimous consent that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters,

Mr. HILL. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

That completes consideration of uncontroversial nominations. The clerk will now proceed to state the nominations which have been passed over.

#### DEPARTMENT OF STATE

The legislative clerk read the nomination of Joseph C. Grew, of New Hampshire, to be Under Secretary of State.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

Mr. GUFFEY. Mr. President, I wish to read an editorial appearing in the Philadelphia Record for today, concerning the nomination for Under Secretary and the nominations for Assistant Secretary of State. The editorial is entitled "Four of a Kind Are Three Too Many." After the headline, the editorial reads as follows:

A good many liberals believe that President Roosevelt's appointments to the State Department add up to a national calamity.

The Record doesn't go that far. We are reasonably sure the Republic will survive the shock. But it may never be quite the same.

The appointments of Messrs. Grew, Clayton, and Rockefeller, plus the choice of Edward J. Stettinius as Secretary, form the most discouraging action taken by the President since 1937. That was the year he took the advice of Winthrop Aldrich, chairman of the Chase National Bank, and other Wall Streeters. Listening to them, the President curtailed Government expenditures for public works and took other deflationary steps in conformance with the rules of orthodox finance. And in 1938 the country went into a tailspin which set back recovery for 3 years.

For reasons that are totally obscure, Mr. Roosevelt has again taken advice from the same questionable sources. This time the results may be far worse than they were after 1937, for these State Department appointments give the big-money boys a try at shaping the economy of the entire post-war world.

The Record was not critical of the appointment of Secretary Stettinius last week. We recognized that in private life he was a representative of the House of Morgan, Wall Street's leading bank. But after trial and error in several Federal posts, he had shown some ability as an organizer. He seemed to have a flair for the public service. And we believed the President would continue to direct our foreign policy, leaving Stettinius to execute it with the help of experienced, progressive assistants.

Now come the "experienced, progressive assistants."

Consider Will L. Clayton. He will have the most important job of all the assistant secretaries. He has been designated to take charge of the problems of post-war finance, reconstruction, relief, and international aviation.

He has no diplomatic experience whatever. In 1940 Jessa Jones induced him to resign as a partner in the world's biggest cotton brokerage business with holdings in Paraguay, Brazil, Argentina, Africa, and Asia, areas over which he will now exert vast political influence. He served in the Office of the Coordinator of Inter-American Affairs and on the Export-Import Bank. He is noted as an ultra-conservative, Texas brand. It is a joke in Washington that his gift of \$6,000 to the duPont-dominated, reactionary, Liberty League during Roosevelt's first term was topped by

contributions of \$7,000 made by his progressive wife to the New Deal.

Nelson A. Rockefeller, grandson of the world's richest man, is probably the hardest worker of all the assistant secretaries. Yet there are a dozen men in Washington better fitted and far more experienced. He has made a good record the last few years as Coordinator of Inter-American Affairs. He brought music, movies, and entertainment of varied kinds to his job of cultivating South American governments. Good fellow Rockefeller has helped to make good neighbors in Latin America, unless we except Argentina.

He made a good neighbor of Franklin Roosevelt by other methods. He and Mrs. Rockefeller contributed \$5,000 to the campaign fund of Tom Dewey.

The Record does not impugn the honesty of these three men of great wealth—Stettinius, Clayton, Rockefeller. No doubt they enter upon their new duties with patriotic zeal and a sincere desire to set a sick and shattered world upon its feet.

The hardest part of the task in building world peace and setting the stage for prosperity at home will be to resist the self-seeking, private pressure groups. We mean the international bankers with holdings throughout the world; the brokers with clients in every land; the industrialists whose chief aim is foreign trade, the reopening of their factories in Germany, Italy, and Japan. We don't blame these interests for trying to get the best breaks they can from this and other governments.

But it is the bounden duty of Government officials to say "No" to these men when a "Yes" would even remotely jeopardize the national welfare or set up one hazard to world peace.

The Record hopes these three next-of-kin to America's powerful banking and industrial groups can say "No" when the time comes. But it will be almost a miracle if they can resist the pressure of the institutions from which they graduated.

The Record is not prepared to say that no representative of big business or international finance should have an important post in the State Department. It might be good statesmanship to have all the elements of our national life—banking, labor, industry, the professions—merged into this important branch of government. From the conflicting views of such a cross section there might emerge sound compromises in the public interest.

That is the reason the Record accepted with good grace the appointment of Stettinius, although it was not to our liking. Nomination of any one of the five might be accepted as were the nominations of Knox and Stimson, on the theory that it is the duty of the President in wartime to unite the Nation by giving representation to every element and interest.

But what applies to each one separately does not apply to the five taken as a whole. In fact we cannot take them as a whole without uttering a protest that this series of appointments is neither in the character nor in the spirit of the New Deal. It is an affront to the majority of citizens who voted for Mr. Roosevelt.

To allow the State Department to be dominated by a single ultraconservative element, in this most critical period, is an inexcusably dangerous experiment.

Joseph Grew, the new Under Secretary, is not a Wall Streeter except by family connection. He is a career diplomat who served this country well in the Tokyo Embassy in the years immediately preceding the war. He was sharply criticized as Under Secretary in the Cabinet of Calvin Coolidge. Since Pearl Harbor and his return to the United States, Grew has frequently advocated a policy of doing business with Emperor Hirohito after the war. He says we must preserve the Mikado as a Japanese sym-



bol around which a stable, peaceful government can be built.

The man can't have much imagination when in the midst of global war he suggests a future arrangement with Hirohito. It sounds like an echo from another sphere of diplomacy: The Cliveden set believed Britain could do business with Hitler.

Then there is Librarian of Congress Archibald MacLeish. Mr. Roosevelt appointed him as one of the Assistant Secretaries of State. Mr. MacLeish's liberalism is genuine. But he is totally lacking in experience with foreign affairs. His assignment as head of the Translation Division, Public Liaison, Office of Public Information and Cultural Cooperation will give him about as much chance to develop liberal policies as though he were head office boy.

Stick to your poetry and your library, Mr. MacLeish.

We believe that President Roosevelt was elected to a fourth term because the majority of voters believed he would give liberals—not conservatives and reactionaries—a large share of responsibility for building the peace.

One of the reasons for the defeat of Governor Dewey was that the majority of voters believed he would put the administration of our vital foreign and domestic policies in the hands of the Wall Street interests which supported him so generously.

Wall Street must wonder today why it spent so much money for a futile cause—only to get exactly what it wanted for free.

Yet we are not entirely without hope. Mr. Roosevelt has often admitted and corrected his mistakes.

Every staunch supporter of the New Deal will pray that this mistake be recognized in time to avert a repetition of the blunders which followed World War No. 1.

I wish to say frankly that I am in sympathy with the editorial. Since reading the analysis set forth in the editorial I must say that I am not as enthusiastic about the nominations as I may have been previously.

Mr. CLARK of Missouri. Mr. President, no one in the whole United States has profited as much personally by the good will of the New Deal administration as has Mr. David Stern, the editor of the Philadelphia Record. The Senator from Pennsylvania has a very high opinion of Mr. Stern. I have had a very pleasant relationship with Mr. Stern. But he has profited more, individually, as a supporter of the New Deal than anyone else in the United States. That is my judgment about it. I assert that it comes with very poor judgment and very poor grace for Mr. Stern to oppose these nominations en bloc.

Mr. GUFFEY. Mr. President, will the Senator from Missouri explain in what way Mr. Stern has profited unfairly or illegally?

Mr. CLARK of Missouri. Mr. President, I did not suggest that he had profited illegally. It was all under the law. Unquestionably, Mr. Stern was able to keep his publications floating by the use of the loans which he received under the New Deal. I assert that it comes with very poor grace from him to oppose these nominations en bloc. If he had wanted to oppose some particular nominee on his merits, that would have been a different matter. But I say again that it comes with very poor grace, indeed, for Mr. Dave Stern, who would have been in bankruptcy had it not been for the assistance he received from the New Deal

lending agencies, to attack these nominations en bloc.

Mr. GUFFEY. Mr. President, all the loans to which the Senator from Missouri has referred, as well as the interest which fell due from time to time, were paid on time. All requirements under the negotiations were conformed to.

Mr. CLARK of Missouri. Mr. President, I am not suggesting that the publisher of the Philadelphia Record is not honest. I am suggesting that he would have gone into bankruptcy had it not been for certain policies of the New Deal which enabled him to receive loans under the auspices of Harry Hopkins.

Mr. GUFFEY. How many banks, trust companies, and corporations would not have done the same thing that Mr. Stern did?

Mr. CLARK of Missouri. I think many of them would have done the same thing.

Mr. GUFFEY. Then why pick on Mr. Stern?

Mr. CLARK of Missouri. As I have already said, Mr. President, I believe it comes with very poor grace for Mr. Stern to attack these nominations en bloc. If he wishes to make a particular attack on some one of the nominations, I believe that would be proper. But, as I have said, I think it comes with very poor grace for him to attack all of the nominations en bloc. His attack has not been based on anything in connection with the previous service of any of the nominees, but it has been made because Mr. Stern was trying to be a demagog, which he has always been.

Mr. GUFFEY. I am sorry that I cannot agree with the Senator from Missouri.

Mr. CONNALLY. Mr. President, I ask for a vote.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Joseph C. Grew, of New Hampshire, to be Under Secretary of State?

Mr. CHANDLER. Mr. President, before the nomination is confirmed, I wish to say that I have no objection to the confirmation of the nomination of Mr. Grew to be Under Secretary of State. I have not been able to satisfy myself that haste should be exercised in confirming the nominations. If any Senator can give me a good reason for making haste in regard to this matter, I should like to hear what is the reason. For a long time I have heard that the State Department should be reorganized. I have personally believed that Mr. Hull was an understanding Secretary of State. I know that he is honest and patriotic. I know that he is a great American. I also know that he has always tried to the best of his ability to represent the interests of the people of the United States.

Mr. President, I sometimes wonder who won the election which we recently held. I was told that the poor folks would be given opportunities as the result of the election, and it was said that the common man would be given a better chance. I am certain that a great majority of the average citizens of the country voted for the reelection of President Roosevelt. Our Republican brethren

told us during the campaign that we would have to clear everything with Sidney. According to my understanding, Sidney has cleared out. He has gone to England, and he is advising everyone there about the standing of politicians, and what it means to take part in a political campaign in this country. Instead of poor folks obtaining jobs, the Wall Street boys are obtaining jobs, and we are clearing everything with Harry Hopkins. That may be the way the people voted, and it may be the way they intended to vote all the time. [Laughter.] Certainly that is the way it is being done.

Mr. President, I have nothing to say against any of the nominees. I have always had the greatest faith and confidence in Mr. Grew's ability as an ambassador. I think he made a fine record as our American Ambassador to Japan. I have read his books and some of his papers. He has appeared before our committee. I was very much impressed with him. The other men whose nominations have been proposed may do just as well as someone else could do. But what is the haste? Why can we not have a hearing and an opportunity to ask them some questions?

Mr. President, in the days ahead the United States Senate will be interested in trying to make arrangements with other nations of the world to answer the supreme question which is today being presented to mankind, namely, how to arrange for the nations of the earth to live together in peace. If we do not provide a correct answer to that important question, it is barely possible that within the next few years civilization may be entirely destroyed.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. CLARK of Missouri. The Senator from Pennsylvania [Mr. GUFFEY], who raised the question, is a member of the Foreign Relations Committee. The nomination of Ambassador Grew was not reported today. It was reported yesterday. The Senator from Pennsylvania was present and voted, as I recall, to report the nomination to the Senate. There was no roll call. But he voted yesterday to report the nomination of Ambassador Grew.

Mr. GUFFEY. Mr. President, will the Senator from Kentucky yield?

Mr. CHANDLER. I yield.

Mr. GUFFEY. I should like to correct the Senator from Missouri in the statement which he made. Were there not five or six members of the Foreign Relations Committee who reserved the right to vote as they pleased on each nomination as it came up on the floor of the Senate?

Mr. CLARK of Missouri. Mr. President, will the Senator from Kentucky yield to me in order that I may reply to the Senator from Pennsylvania?

Mr. CHANDLER. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. As I recall the meeting of the Foreign Relations Committee—and I do not like to detail in public an executive session of any committee, although I reserve the right

to do so—the only question raised had to do with Mr. MacLeish. The nomination of Mr. Grew was approved by unanimous consent in the Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] objected to the confirmation of Mr. Clayton, and asked to be recorded against it. I objected to the confirmation of Mr. MacLeish, and at the suggestion of the chairman the roll was called, and four votes were recorded against that nomination. The Senator from Pennsylvania was present during a part of the meeting and voted for some of the confirmations, and then left, leaving his votes, with the understanding that they would be voted for all the confirmations.

Mr. President, what I should like to know is as to Mr. Grew, a career diplomat. What happened since yesterday morning, except the editorial of Dave Stern in the Philadelphia Record, to change anyone's opinion about the lifelong career of Ambassador Grew? That is all I want to ask.

Mr. CHANDLER. Mr. President, I have been a strong and staunch supporter of the President's foreign policy. I think he received more support from the American people because of his foreign policy than because of any other policy he advocated as President of the United States.

The men whose nominations we are considering are going to have the difficult task of making vital decisions on the foreign policy of this country during the ensuing important years which are immediately ahead of us, and the United States Senate is called upon to vote on the nominations. If Senators are going to vote knowing as little about these men as I do, then they will have to take the responsibility for the mistakes, if any are made, which these men may make. I confess that except as to Ambassador Grew I know very little about these nominees.

There are some questions I should like to have an opportunity to ask them. I should like to know what their views are on the economic problems of the world, and what sort of an economic policy we are to adopt in our dealings with other countries when the war is over.

I want to see a just peace, and an enduring peace, and I want to know what the ideas of these men are about that. I should like to know what they think about dictatorships. I should like to know how they acted on questions involving the war in Spain, and what their ideas were toward the Vichy Government. I should like to know what their position is with respect to India and the Far East. I should like to know whether they think the Atlantic Charter is dead, or whether or not in the future mankind will have an opportunity to be free because the Allies went to war.

All around the world, in the countries where people are slaves, they are today asking questions. The junior Senator from Georgia [Mr. RUSSELL] will recall people in some countries said, "The United States of America is bound by the Atlantic Charter." We cautioned them that that was a noble declaration of the President of the United States and of

the Prime Minister of Great Britain, and not to be too certain, because it was not the law of either country. They said, "Oh, but you are bound; we have a right to be free, and you are going to help make us free." When we asked them "Freedom from whom?" they would say freedom from one of the Allies. How is America to make those people free if Churchill says, "We mean to hold our own, unless you give us something that offers us an equally solid guaranty," when Churchill says, "I did not take this job to preside over the liquidation of the British Empire. If that were ever prescribed, you would have to get somebody else for the job." If we are to say in the future to these people that this was a war between Fascists and imperialist powers, and that all the slaves have to look forward to is a return to slavery and their old masters, we have not done a thing but disillusion hundreds of millions of people throughout the world.

American boys are again fighting and dying on a thousand fronts for democracy, the second time in a generation, and if all they are to accomplish is the securing of possessions all over the world for imperialist powers, and returning the people in those countries to slavery when the war is over, we will not have accomplished anything.

I do not know what the views of these nominees are about these matters. I am not making any attack against any man. I repeat, I do not know what these nominees stand for, but it does not occur to me that the question of confirmation is so important that we must make such haste that the Senate of the United States cannot take just a few hours. The Senate Committee on Foreign Relations holds an executive session—and I do not have the honor of being a member of that committee—but they have one meeting, a closed session, and report these nominations to the Senate in one afternoon, without saying what these men stand for, and we are asked to vote to confirm the nominees to these important positions, and say to the world, "We have reorganized the State Department." There is already a dispatch or two from London stating that the British consider the first utterances of Secretary of State Stettinius insulting to them regarding British policy. I am not pleading for any unrealistic attitude. I do not consider it necessary to insult others, but we have to tell the truth, even if that may be insulting. I do not advocate being insulting to friends or allies, but I do advocate being realistic with them, and telling the truth.

Mr. President, I am not ready to vote today on two of these nominations. I think we would do well to take time. I think we would do well to importune the chairman of the Committee on Foreign Relations, and ask him to call an open hearing of his committee, ask these men to appear, let Senators be present, and let other citizens of the Republic be present. Let us ask questions and ascertain, before we approve them for these important positions, how they stand on world cooperation, and what their ideas are about the world of tomorrow. I confess I do not know.

As quarterback on a football team, when I did not know what to do, I was always told we ought to kick. "When in doubt punt." So, if you are to compel me to vote against someone, I may do so to make a record, but I do not like to do that. I confess I do not know about these men, and I beg Senators to take time, and give us an opportunity to ascertain the facts, and then, when we find that we are ready, we can go ahead.

Mr. O'MAHONEY. Mr. President, I find in the New York Times this morning a report with respect to the reorganization of the State Department in which there appear these two paragraphs:

In discussing his reorganization plans Mr. Stettinius said that they would include a realignment of functions.

He declined to discuss Mr. Clayton's views on cartels and other economic policies until after he assumed his new post in the State Department.

In the Washington Post this morning there was also a story about the same press conference, from which I read the following:

At Stettinius' news conference he was confronted with many questions on possible conflict between the views of Clayton on cartels in relation to those of President Roosevelt and former Secretary of State Cordell Hull.

It was that question which arose in the Foreign Relations Committee when MURRAY opposed recommendation of Clayton.

Stettinius, however, declined to speak for Clayton and said he would present him to the press at the first news conference after he takes office and let him speak for himself on the subject.

Mr. President, I am impressed by the assumption that information to the people of the United States with respect to the views of the nominee for this most important position, having to do with the economic relations of this Government to the rest of the world, will be postponed until after the Senate has acted upon the nomination, the assumption being that the Senate is willing to act without information.

Are we to have the people of the country understand that while newspaper correspondents may confront the Secretary of State at his press conference and ask him for the views and opinions of a subordinate—about-to-be—with respect to this most serious of all economic problems, Members of the Senate are asked to hold their curiosity in leash until Mr. Clayton appears at a State Department press conference after he has been confirmed?

Mr. President, I cannot believe that the Foreign Relations Committee is going to ask the Senate to vote blindly about so important a matter, and I say this without the slightest reflection upon Mr. Clayton, the nominee. I have a great deal of respect for Mr. Clayton's ability. I have seen him in action before committees of the Senate. I admire his poise, I admire his patience, I admire his competence, but I know nothing whatsoever about his views on international trade, and I know, Mr. President, that we are engaged in this war because political leadership and business leadership have been incompetent to deal with the question of international cartels. We are in this war, Mr. President, precisely be-



cause opportunity to make a living has not been granted to the masses of the people of the world because the control of economics has been held in the hands of a few leaders.

We had the German cartels, we had the British cartels, we had American participation in cartels. We know that the handling of the cartels is a major part of post-war policy; but we know nothing about what this reorganization of the State Department means with respect to any phase of international policy. Every Member of the Senate had a very good notion of what Secretary Cordell Hull's policy was. We were never in any doubt about that, nor was the world in doubt about it. But since the change in the Department of State, no word has issued from any quarter telling the Members of the Senate, or the people of the United States, or the people of the world, what the policy of the reorganized State Department will be with respect to these fundamental problems of how to enable the nations and the peoples of the world to live together.

There was presented to the Senate some time before the election a treaty having to do with petroleum and petroleum resources. My own opinion with respect to that agreement was that it was not a treaty but an agreement to make an agreement. I felt sure that it dealt solely with foreign oil. But it was not altogether clear.

Mr. President, I wrote a letter to the Secretary of State with respect to that treaty, and I received a response from him. I did not make my letter public nor his response. Since that time, however, there has been a great change. I did not make the exchange public because I felt that further negotiations were to take place and I knew how Secretary Hull thinks. Now he has retired and the State Department is being reorganized to what end?

Last Sunday the newspapers carried the announcement that the chairman of the Foreign Relations Committee did not feel that the oil treaty with Great Britain should be ratified. I gained the impression that perhaps there may be a new agreement, a new treaty. I do not know what the terms of the new negotiation will be. If we act today upon these nominees we know that the framing of those terms will be in the hands of these gentlemen whose nominations we are now asked to confirm, but whose views are not revealed to us.

It seems to me, Mr. President, that we are dealing here with one of the very basic questions of the war and of the peace, and I feel very, very deeply that the Senate should not act until its Committee on Foreign Relations has brought these men before it so that we may know what policies they intend to follow, and whether there is to be any change.

We hear a great deal about the desirability of cooperation between the executive and the legislative branches of the Government. We hear a great deal of criticism of the executive branch for taking things into his own hands. But is this not an example of how the legislative body turns responsibility over to the Ex-

ecutive and makes it impossible for the Executive to do anything but act? If the Senate does not exercise the responsibility which the Constitution gives it to advise and consent by confirming appointees who are to occupy positions of the gravest responsibility by acquainting itself with the policies of policy-making officers, then surely we cannot avoid the charge of having failed to do our full duty.

Mr. President, I certainly hope that there will be no action upon any of these nominees until the Foreign Relations Committee can give us more information with respect to what their views are.

We should not be made dependent upon some future press conference for information which it is our constitutional right, and I think duty, to secure before we act.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CLARK of Missouri. Does the Senator apply that to the nomination of Ambassador Grew?

Mr. O'MAHONEY. I see no reason why there should be any exception. Personally I have the greatest confidence in Mr. Grew. I have listened to him before committees.

Mr. CLARK of Missouri. Mr. President, since the Under Secretary of State has been promoted to the position of Secretary of State, there is a very great necessity for having an experienced diplomat who would be in a position to run the ordinary business of the State Department, and I see a very great difference between the situation of Ambassador Grew, who has been nominated to be Under Secretary of State, and the nomination of others to be Assistant Secretaries. In other words, if the confirmation of Ambassador Grew as Under Secretary could be brought about so that he could immediately begin to regulate the affairs of the Department—and I think there is no one on either side of this body who questions his ability to do that—then I am prepared to offer a motion to refer the nominations of the others to be Assistant Secretaries back to the Foreign Relations Committee for the purpose of holding hearings. But I do not see how the Department can possibly function without the confirmation of the nomination of the Under Secretary.

Mr. O'MAHONEY. Mr. President, the Department has functioned without an Under Secretary until today, and I think it may very well function until next week if that necessity arises. The question involved would be merely that of administration. Mr. President, I am talking about questions of the very highest possible international policy.

Mr. CLARK of Missouri. I entirely agree with the Senator from Wyoming. As I said, I am prepared to offer a motion to recommit the nominations of Assistant Secretaries of State to the Committee on Foreign Relations. But I do think that the new Secretary of State is entitled to have an experienced diplomat at his right hand to conduct the affairs of the Department, and I do not think

there is anyone on either side of this Chamber who is prepared to oppose confirmation of Ambassador Grew.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Alabama.

Mr. BANKHEAD. Does the Secretary have authority to designate someone in the Department to act temporarily as Under Secretary of State?

Mr. O'MAHONEY. I would assume that that Department is not different from other departments, and that such authority does exist.

Mr. President, I was about to call attention to the Atlantic Charter. I have sent this charter to innumerable constituents because I have felt it to be a declaration of American policy, I have felt it to be a declaration of American ideals, I have felt it to be a declaration of meaning; and yet we all know that all through the world today doubts are being cast upon the principles which were outlined in that charter, signed in the Atlantic by Winston Churchill, Prime Minister of Great Britain, and the President of the United States.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CHANDLER. Are there not doubts in the minds of some persons that there ever was any such thing? A search has recently been made, and the so-called document known as the Atlantic Charter cannot be found.

Mr. O'MAHONEY. I hold in my hand House Document No. 358 of the Seventy-seventh Congress, first session. It is a message of the President of the United States to the Congress, and it transmits the Atlantic Charter. If there be any doubt about the existence of this document, Mr. President, I ask that it be printed in the Record at this point as a part of my remarks.

There being no objection, the message was ordered to be printed in the Record, as follows:

*To the Congress of the United States:*

Over a week ago I held several important conferences at sea with the British Prime Minister. Because of the factor of safety to British, Canadian, and American ships, and their personnel, no prior announcement of these meetings could properly be made.

At the close, a public statement by the Prime Minister and the President was made. I quote it for the information of the Congress and for the record:

"The President of the United States and the Prime Minister, Mr. Churchill, representing His Majesty's Government in the United Kingdom, have met at sea.

"They have been accompanied by officials of their two Governments, including high-ranking officers of their military, naval, and air services.

"The whole problem of the supply of munitions of war, as provided by the Lend-Lease Act, for the armed forces of the United States, and for those countries actively engaged in resisting aggression, has been further examined.

"Lord Beaverbrook, the Minister of Supply of the British Government, has joined in these conferences. He is going to proceed to Washington to discuss further details with appropriate officials of the United States Government. These conferences will also cover the supply problems of the Soviet Union.

"The President and the Prime Minister have had several conferences. They have considered the dangers to world civilization arising from the policies of military domination by conquest upon which the Hitlerite government of Germany and other governments associated therewith have embarked, and have made clear the steps which their countries are respectively taking for their safety in the face of these dangers.

"They have agreed upon the following joint declaration:

"Joint declaration of the President of the United States of America and the Prime Minister, Mr. Churchill, representing His Majesty's Government in the United Kingdom, being met together, deem it right to make known certain common principles in the national policies of their respective countries on which they base their hopes for a better future for the world.

"First, their countries seek no aggrandizement, territorial or other;

"Second, they desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned;

"Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them;

"Fourth, they will endeavor, with due respect for their existing obligations, to further the enjoyment by all states, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity;

"Fifth, they desire to bring about the fullest collaboration between all nations in the economic field with the object of securing, for all, improved labor standards, economic advancement, and social security;

"Sixth, after the final destruction of the Nazi tyranny, they hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want;

"Seventh, such a peace should enable all men to traverse the high seas and oceans without hindrance;

"Eighth, they believe that all of the nations of the world, for realistic as well as spiritual reasons, must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea, or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers, they believe, pending the establishment of a wider and permanent system of general security, that the disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace-loving peoples the crushing burden of armaments.

"(Signed) FRANKLIN D. ROOSEVELT.  
"(Signed) WINSTON S. CHURCHILL."

The Congress and the President having heretofore determined, through the Lend-Lease Act, on the national policy of American aid to the democracies, which east and west are waging war against dictatorships, the military and naval conversations at these meetings made clear gains in furthering the effectiveness of this aid.

Furthermore, the Prime Minister and I are arranging for conferences with the Soviet Union to aid it in its defense against the attack made by the principal aggressor of the modern world—Germany.

Finally, the declaration of principles at this time presents a goal which is worth while for our type of civilization to seek. It is so clear-cut that it is difficult to oppose in any major particular without automatically admitting a willingness to accept com-

promise with nazi-ism; or to agree to a world peace which would give to nazi-ism domination over large numbers of conquered nations. Inevitably such a peace would be a gift to nazi-ism to take breath—armed breath—for a second war to extend the control over Europe and Asia, to the American Hemisphere itself.

It is perhaps unnecessary for me to call attention once more to the utter lack of validity of the spoken or written word of the Nazi government.

It is also unnecessary for me to point out that the declaration of principles includes, of necessity, the world need for freedom of religion and freedom of information. No society of the world organized under the announced principles could survive without these freedoms which are a part of the whole freedom for which we strive.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 21, 1941.

Mr. CHANDLER. Mr. President, will the Senator permit another question?

Mr. O'MAHONEY. Certainly.

Mr. CHANDLER. Does the Senator have any information as to whether or not there ever was any Atlantic Charter drawn up and signed by the President and Mr. Churchill?

Mr. O'MAHONEY. The statement in the President's message, after the preliminaries, is as follows:

They have agreed—

"They" being the President and the Prime Minister—

upon the following joint declaration—

Then follows the text of the Atlantic Charter, and beneath that text appear the names of Franklin D. Roosevelt and Winston Churchill, with the word "signed" in parentheses before each name. I regard this as substantial evidence that there is such a document.

Mr. CHANDLER. Has the Senator ever seen any signed document, or has he ever seen anyone who claims to have seen it? I never have. I have made inquiry. I am asking only for information.

Mr. O'MAHONEY. I have never made any inquiry. I have never attempted to see the original document.

Mr. CHANDLER. The Senator has never seen any original document?

Mr. O'MAHONEY. I assume there is one, but I do not know.

Mr. CHANDLER. Has the Senator ever seen anyone else who has seen it?

Mr. O'MAHONEY. I have never inquired.

Mr. CHANDLER. Let me say to the Senator that I have made inquiry. I have never seen it, and I have never seen any living human who has seen it. Some day I should like to find out whether it was merely words, or whether it was a signed document. If anyone has such information, I wish he would give it to me.

Mr. O'MAHONEY. Mr. President, I wish to add a few words.

Among the principles enunciated in the Atlantic Charter was the following; namely, the first declaration of the Atlantic Charter:

Their countries seek no aggrandizement, territorial or other.

That was a noble declaration. We hear reports, however, that some of the

nations involved in this war are seeking territorial aggrandizement.

I shall not attempt to read all these items. I shall be content to have the document printed at large in the RECORD. I cite it, Mr. President, only as additional evidence that the Senate, before it acts on the confirmation of any of these nominations, should at least have additional evidence with respect to the point of view of these gentlemen on the problems with which they will have to deal on behalf of all the people of the United States. I therefore hope that the chairman of the Committee on Foreign Relations will be willing to sustain a motion to return all these nominations to the Committee on Foreign Relations for further consideration.

Mr. CONNALLY. Mr. President, the Senator from Wyoming makes a rather unusual request. The Committee on Foreign Relations has had these nominations before it for consideration. We considered them yesterday. Any Senator was welcome to come before the committee and file objections against any of these nominees. The Senator from Texas, as chairman of the committee, will not assume the responsibility of vetoing the action of his committee and saying, "We will consider them again." The Senator from Missouri [Mr. CLARK] was present and participated in the deliberations of the committee.

The Senator from Wyoming says that he does not know how Mr. Clayton stands with respect to cartels. That is a very simple matter. The Senator can call him on the telephone in about a minute, and he can say "Yes" or "No."

We have not yet reached Mr. Clayton's name, but he has been in the Government service for some time. He has been before congressional committees repeatedly. His background and history are well known to everyone who wishes to know about him.

Let me ask the Senator from Wyoming if Mr. Clayton did not appear before his committee, the Temporary National Economic Committee, which held hearings awhile ago?

Mr. O'MAHONEY. He may have been a witness before that committee. I do not recall that he appeared with respect to any important study. He has appeared very recently before other committees of the Senate, including the Committee on Military Affairs. Inasmuch as the Senator has addressed the inquiry to me, let me point out to him again that it is not a question of what I know about Mr. Clayton's policies with respect to cartels. It is a question of what the Secretary of State, Mr. Stettinius, does not know, if he is correctly quoted in this morning's newspapers.

Mr. CONNALLY. Mr. Clayton will be an Assistant Secretary. Over him will be the Under Secretary. Over the Under Secretary will be the Secretary, and over him will be the President of the United States. So Mr. Clayton will have to be a powerful man to control the policies of the Department with regard to cartels. Of course, we are not in favor of cartels; and I do not suppose that Mr. Clayton is in favor of cartels. I think it is an unfair



assumption to believe that he is in favor of cartels because he has not said that he is against them.

Personally I am not in favor of returning these nominations to the committee. We acted on information which we thought was sufficient. If the Senate wishes to send the nominations back to the committee, of course it can do so, and we shall have a hearing; and aside from the membership of the committee, not three Senators will be present to hear all the information which the Senator from Wyoming is so anxious to secure at the present time.

Mr. O'MAHONEY. Mr. President, I move that these four nominations be recommitted to the Committee on Foreign Relations for further consideration, and for the presentation of testimony by these four gentlemen.

Mr. CLARK of Missouri. Mr. President, I ask to modify the motion of the Senator from Wyoming. I realize that it is a violation of the rules, except by unanimous consent. I ask unanimous consent that the nominations of Joseph C. Grew, of New Hampshire; W. L. Clayton, of Texas; Nelson A. Rockefeller, of New York; and Archibald MacLeish, of Virginia, be considered together, and be subject to the motion of the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I regret that I cannot give my consent to the request of the Senator.

Mr. CLARK of Missouri. It seems to me that if the nominations are to be sent back to the committee, which I favor, they should be sent back together.

Mr. CONNALLY. All of them?

Mr. CLARK of Missouri. All of them. I believe that is the intention of the Senator from Wyoming. Is not that true?

Mr. O'MAHONEY. That all should be sent back?

Mr. CLARK of Missouri. That all should be sent back for further consideration. Is that the intention of the Senator from Wyoming?

Mr. O'MAHONEY. Precisely.

Mr. CLARK of Missouri. I ask to modify the motion of the Senator from Wyoming, which could apply at the moment only to the nomination of Ambassador Grew, so as to apply to all four nominations. Otherwise it will be my intention to make a separate motion as to each nomination as it comes up. It seems to me that we might save a great deal of time by sending them back en bloc, rather than waiting for a separate motion on each nomination.

Mr. CONNALLY. As I understand, the motion now is that they all be sent back.

Mr. CLARK of Missouri. Of course, I have no right to modify the motion of the Senator from Wyoming.

Mr. CONNALLY. He included them all.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri to modify the motion of the Senator from Wyoming?

Mr. O'MAHONEY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. CONNALLY. Mr. President, the Senator from Wyoming had already made substantially the same motion.

Mr. President, the Senate Committee on Foreign Relations has worked very diligently and carefully, not only in this matter, but in other matters. For more than 2 years that committee and its subcommittees have been unusually active and attentive to their duties.

We have done the best we know how on these nominations. If the Senate thinks we have been remiss, that we have been negligent, that we have not attended to our functions, that it has no confidence in what we do, then let the Senate recommit the nominations to the committee.

The Senator from Kentucky [Mr. CHANDLER] has said, "Oh, why the hurry about it?" Mr. President, we are not in a hurry. But the Committee on Foreign Relations undertakes, when business is submitted to it, to give it attention and to act. There are a considerable number of trash cans around the Capitol, where things can be put and where they will stay forever. The Committee on Foreign Relations is not such a receptacle. We try to do business.

If the Senate wishes to send the nominations back to the committee, I do not know when we will be able to report them again. But if everyone wishes to know what all the nominees think about everything on earth, Mr. President, the nominations very likely will be in the committee a good while.

So I hope the Senate will not recommit the nominations to the committee.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LA FOLLETTE. In case the motion made by the Senator from Wyoming should be defeated, would it be in order to make a separate motion concerning the nominations as they were presented, *seriatim*?

The PRESIDING OFFICER. It would be. The Chair will state that the motion of the Senator from Wyoming is hardly in order, because only one nomination is before the Senate at this time, namely, the nomination of Joseph C. Grew.

Mr. CLARK of Missouri. Mr. President, I thought the pending question was the one I presented as a unanimous-consent request, namely, that the four nominations be joined into one for the purpose of the motion of the Senator from Wyoming. That certainly was my intention.

I now ask unanimous consent that the nominations of the four nominees for positions in the State Department be joined into one for the purpose of the motion of the Senator from Wyoming. That was the purpose of the suggestion I made a while ago.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHITE. Mr. President, I desire to say a few words about the present situation. I wish to have it known that I am not in favor of recommitting the nominations to the Committee on For-

eign Relations. So far as I am concerned I know enough about these men to determine my attitude toward them and toward their nominations as sent to the Senate by the President of the United States.

First of all, let me emphasize that, as the Senator from Texas has already said, these nominees will not be the men who will determine the foreign policy of the United States. They will be subordinates who will carry out the policies determined by the President of the United States. They will speak for him. They will speak in behalf of the policies upon which he determines, and which he seeks to effectuate.

Mr. President, I know something about at least two of the nominees. I know Joseph Grew. He has lived in the white light of publicity for a quarter of a century in the Foreign Service of the United States. He has built his life and his character in this period of time, and today he stands before the American people subject to no legitimate attack from any source.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WHITE. I hope the Senator will not interrupt me.

Mr. President, I do not care very much about what Joseph Grew may now think about some policy or some perplexing question which may arise for decision in the future. I do know Joseph Grew. I am more interested in the fact that the President has named a man of ability, a man of character, than I am in what he might decide about some question which might arise in the 2 or 3 or 4 years ahead of us.

And I know Nelson Rockefeller. He is a young man who has lived all his life under the shadow of a great name. His grandfather was one of the greatest industrialists of the Nation and of the world, and his father has been a great philanthropist, a man of culture, a man of education, a man who has lived in the best traditions of our country, who has poured out his money in an almost inexhaustible stream for the welfare of the manhood and the youth and the traditions of this Nation. Nelson Rockefeller has lived a life of effort and achievement. He has my respect and my confidence.

So far as I am concerned—I have said this before, but I wish to repeat it—I am more interested in the character of the nominees than I am in anything they may think about some problem which may hereafter arise.

In the committee I voted on the nominations. I believe I voted as I should have voted. I stand on what I have done. I personally do not welcome a return of the nominations to the Committee on Foreign Relations.

Mr. O'MAHONEY. Mr. President, I rise only to make it perfectly plain that nothing I have said should be interpreted by anyone as in any degree critical of the character or ability of any of the nominees. I will echo everything the Senator from Maine has said with respect to the character of Mr. Grew. I will say

the same with respect to each of the other nominees.

But the pending question is not a question of character, Mr. President. The pending question is a question of the public policy of the United States. When we discharge our constitutional duty of confirming the nominations sent to us by the President—in the present case, nominations for positions in the Department of State—we share a public responsibility in determining what the policy is to be. It is only upon the ground of policy, Mr. President, that I have made the motion to send the nominations back to the Committee on Foreign Relations.

Mr. CONNALLY. Mr. President, every Senator who knows the President of the United States must realize that he is going to dominate the foreign policy of this Government. We already have a Secretary of State who, of course, will be the representative of the President. But it is peculiarly the function of the President of the United States to deal with our foreign relations. It is a long stretch of the imagination for anyone to think that an Assistant Secretary of State will be more than an administrative officer in carrying out the policies which will be announced and adopted by those in higher positions.

If the Senate recommit the nominations to the Committee on Foreign Relations, all it will do will be simply to delay matters for a few days.

Mr. HATCH. Mr. President, will the Senator yield for a moment?

Mr. CONNALLY. I yield.

Mr. HATCH. In thinking about the position of the committee of which the Senator is the chairman, I now ask him this question: If the Senate should recommit the nominations to the committee, in the light of the discussion which has occurred in the Senate would not the chairman of the committee practically feel instructed to call the nominees before the committee and hold an open hearing on the subject of the nominations?

Mr. CONNALLY. I would not consider it an instruction; but, as the Senator has suggested, I would feel that the Senate wished to hear from these gentlemen, and we would have to call them before the committee and interrogate them and have their testimony taken down, and then call the other Senators down there and tell them what the nominees had said.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. CHANDLER. In case anyone has doubt about that, let me say that is precisely what I had in mind. I had expected that, if the motion prevailed, the committee would call the nominees before it for a public hearing and would ask everyone to be present.

Of course, if they are going to be stooges—and the Senator has made the statement that they will not do anything—I would hate to be a party to advising and consenting to the nomination of a stooge who would not do anything when he assumed the office.

Mr. CONNALLY. Oh, well, Mr. President, I suppose the Senator has some

stooges in his office or around somewhere.

Mr. CHANDLER. Mr. President, the Senator from Texas probably knows more about stooges than I would know.

Mr. CONNALLY. Well, Mr. President, the Senator brought up that subject.

Of course, if the Senate recommit the nominations to the committee, the committee will call the nominees before it. But I do not believe many Senators will be present in the committee to question them.

Mr. BANKHEAD. Mr. President, a record of what is said in the committee, would be made, would it not?

Mr. CONNALLY. Oh, yes; a record could be taken down.

Mr. BANKHEAD. A record is made of the proceedings of almost all committee hearings, of course.

Mr. CONNALLY. Yes.

Mr. President, in that event, we would have a hearing and we would have the proceedings printed in English. [Laughter.]

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. CONNALLY. I shall yield in a moment.

Mr. President, first, I will respond to the remarks of the Senator from Kentucky. The proceeding which has been suggested is an unusual one. I do not know of any committee which has ever been told by the Senate, "We are going to send these nominations back to you, and we are going to tell you in detail what you are to do. You must bring the nominees before you, and you must ask them these questions: 'Where do you reside? What is your name? What are you doing? What are you going to do?'"

Now I yield to the Senator from Kentucky.

Mr. CHANDLER. Mr. President, I do not know what the men would do, but I know that the Senate would be responsible for their conduct if it should vote to approve them. If within the next few months the policy of the United States is changed because of what may be done by some of these nominees about whom we do not now know, we shall be responsible for it, and no one will be on hand to hold our heads when they start aching. I do not intend to allow mine to ache.

Mr. CONNALLY. I am sure the Senator's head will not have any cause to ache, because he does not worry about anything.

Mr. CHANDLER. I will say to the Senator that if a meeting of the Committee on Foreign Relations is held I shall be glad to appear at the committee.

Mr. CONNALLY. I am sure that the Senator is in a position to leave the Military Affairs Committee at any time and take over the functions of the Committee on Foreign Relations.

Mr. CHANDLER. I do not wish to take over the functions of the Committee on Foreign Relations, but I could protest regarding the diligence of the Senator's committee. Recently I submitted a resolution asking that Secretary of State Hull be given an honorary medal. I do not know what the committee did with the resolution. I do not know where the resolution is now resting.

Mr. CONNALLY. Mr. President, I assume that the Senator can come to the committee and get the resolution at any time he so desires.

Mr. CHANDLER. If the Senator from Kentucky comes for it, he will ask for it, but he may not get it.

Mr. CONNALLY. Mr. President, I know the Senator will do whatever he thinks best. It is true that a resolution was submitted by the Senator from Kentucky to honor former Secretary of State Hull by giving him a medal. It would be a Congressional Medal of Honor.

Mr. CHANDLER. The resolution does not contain anything about the medal being a Congressional Medal of Honor. It merely refers to it as a medal of honor. I assume that if the resolution were agreed to, the medal would contain some reference to its being a Congressional Medal of Honor. However, I believe that Mr. Cordell Hull would be entitled to a military medal if it were possible to give him one.

Mr. CONNALLY. Mr. President, I believe the Senator from Texas knows something about the record of Cordell Hull. He served in the House of Representatives with him for 10 years, and for a number of years he served with him in the Senate. As chairman of the Committee on Foreign Relations, I had dealings with Mr. Hull two or three times a week for a long while. I am not exaggerating when I say that I believe I know as much about the former Secretary of State as does the Senator from Kentucky, who has been a Member of the Senate for only a short time. I do not question the Senator's knowledge regarding all those matters, but I do not want him to reflect on the Senator from Texas.

Mr. CHANDLER. I do not intend to reflect on the Senator from Texas, because he is as smart as any man can be. If I had served as long as Cordell Hull has served, I might know as much as he knows. I regret that I have not had the opportunity to serve as long as he has served.

Mr. CONNALLY. I am sure the Senator from Kentucky would have learned considerable. I know that in any intellectual contest I would not be able to compete with the Senator from Kentucky.

Mr. President, I regard this as a very unusual proceeding, without any consideration being given for the time of the Senate. We considered these nominations promptly. We thought the Senate wanted promptness. I ask the Senate not to return the nominations to the committee.

Mr. MURRAY. Mr. President, I was in attendance at the meeting of the Foreign Relations Committee at the time this matter was being considered. My objection to the action of the committee as to the confirmation of Mr. Clayton was based on the fact that I had no knowledge or information regarding his views on the subject of international cartels. I have no personal objections to Mr. Clayton. I regard him as a man of high integrity and unusual ability. It seems to me, however, that when his nomination comes before us for appointment to a position of the character in-



volved, the Members of the Senate should know what his attitude is on such an important question as international cartels. Mr. Clayton has come to be recognized as one of the outstanding businessmen of the United States. The general impression is that because of his international interests he would be in favor of international cartels. The reason I voted against his confirmation—

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. CONNALLY. What did the Senator just say? Did he say the presumption is that Mr. Clayton favors international cartels?

Mr. MURRAY. No. I stated that it was the general impression that because of his interests in international trade he might favor international cartels.

Mr. CONNALLY. The Senator just said that he had no knowledge about it.

Mr. MURRAY. Yes. That is the reason I voted against the nomination, because I did not know what the attitude of Mr. Clayton was or that subject.

Mr. CONNALLY. Merely because the Senator did not know, then he thinks Mr. Clayton must be in favor of cartels. Is that correct?

Mr. MURRAY. No; not at all. I opposed the nomination because I had no knowledge or information with reference to what his attitude may be on these public questions. I think we should know exactly how he stands on these matters.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. CLARK of Missouri. Does the Senator think that the attitudes of the persons whose nominations the Senate has been asked to confirm should be developed before we confirm them?

Mr. MURRAY. I think we should have some understanding of what their attitude may be. I do not agree with the chairman of the Foreign Relations Committee in his statement that the entire international program is to be placed in the hands of the President, that he will direct everything, and that these men will be acting merely in the capacity of carrying out his directions. I assume that they will be persons of importance in formulating policies, and that they will act as his advisers on matters pertaining to international affairs.

Mr. CLARK of Missouri. Is the Senator from Montana in favor of international cartels?

Mr. MURRAY. No; I am not.

Mr. CLARK of Missouri. Neither am I.

Mr. MURRAY. That is the reason I voted against the recommendation of the committee in this matter.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. WHEELER. If these men were only to carry out the wishes of the President of the United States, then certainly he would not need as many persons in the Department of State as there now are. The men whose nominations we

are asked to confirm are supposed to be experts and advisers of the President on foreign policy.

Mr. MURRAY. The Senator from Montana is exactly correct.

Mr. WHEELER. I do not know what the practice of the Foreign Relations Committee is, and I do not want to try to tell the committee what it should do, but certainly when a nomination comes before the Interstate Commerce Committee for consideration; we ask the person to come before the committee and subject himself to questions, and we endeavor to find out something about him. I know Mr. Grew, and I have a high regard for him. I have known him for a long time. But I certainly do not know anything about the views of some of the men whose nominations have been sent to the Senate.

Reference has been made to the Democrats. Suppose we had a Republican administration, and the name of Mr. Stettinius was sent to us for confirmation. The administration might send the nomination of Mr. Rockefeller, or the nomination of Mr. Clayton. What would we Democrats do? I have been a Member of the Senate for more than 20 years. When Mr. Hoover sent up to the Senate a nomination in the way in which these nominations have been sent, the Democrats seriously questioned the appointments.

We now have what is supposed to be a great liberal administration. Someone has said that it was an administration of the common people, or of the poor people. Yet, we know that the heads of all the various departments are representatives of the big business interests of the country. They represent the Morgan interests, the Rockefeller interests, the Dillon-Reed interests, and all the big corporations of the country at the present time. We are not to question the nominations which have been sent to us. As to what the views of the nominees may be, or their sentiments with regard to various matters, we are to know nothing. I submit that we should know something about them before we vote on them, and I shall not vote for them until I do know something about them.

Mr. MURRAY. Mr. President, I fully agree with the observations of my colleague and the considerations he has stated were what influenced me at the time this matter was before the Committee on Foreign Relations. If we are to have a reorganization of the State Department, I cannot understand why we should not know who the people are who are to be placed in control of that Department, and who are to formulate and carry out the policies of the Department. It seems to me we should have a full hearing in this matter, and that the public should have an opportunity to know who these nominees are, and their opinions with reference to foreign questions.

Mr. MALONEY. Mr. President, if the Senate compels me to vote on these nominations this afternoon, I shall support all of them, because I know of no reason for not giving them support, but

I shall take a minute or two of the Senate's time to express the hope that the motion of the Senator from Wyoming will be agreed to.

I think the Committee on Foreign Relations of the Senate has not quite met its responsibility in reporting the nominations of four men who did not appear before the committee. There may not be any brighter or better men than these. On the other hand, there might be men who are a little better fitted for these particular assignments.

I have not been able to arouse much enthusiasm within myself over the appointments for the State Department which have come to the Senate.

Perhaps that mere sentence is an injustice to the nominees, but I think we are entitled to a little more than we have received. I think the Committee on Foreign Relations should be willing to have these nominations go back, and at least an opportunity given to doubtful Senators to interrogate the nominees as to their views on the very important matters with which they will deal in these very unusual and dangerous times. I do not think there should be any reluctance on the part of any member of the committee to take a little more time in dealing with this important matter.

The PRESIDING OFFICER. The question is on agreeing to the motion offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. CONNALLY. I ask for the yeas and nays.

Mr. DANAHER. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. Will the Chair please state the motion of the Senator from Wyoming?

The PRESIDING OFFICER. The Senator from Wyoming has moved that the nominations, all four of them, be recommitted to the Committee on Foreign Relations for further study and consideration.

Mr. DANAHER. Will the Senator from Wyoming accept a modification of his motion, to sever the name of Mr. Grew?

Mr. O'MAHONEY. That question has already been decided in the negative by the author of the motion.

Mr. DANAHER. Mr. President, it seemed to me that there might be much merit in severing Mr. Grew's name from the motion of the Senator from Wyoming, if for no other reason than on the ground that for 11 months he was warning the entire country, including the State Department, of the impending possibility of war with Japan. It would be a novelty to have a man like that in the State Department.

The PRESIDING OFFICER. The yeas and nays have been requested.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The junior Senator from New Jersey [Mr. WALSH] is necessarily detained from the Senate. If present, he would vote "nay" on the pending motion.

The Senator from Nevada [Mr. McCARRAN] and the Senator from Utah [Mr. MURDOCK] are detained on official business for the Senate.

The Senator from Florida [Mr. PEPPER] is absent on important public business. I am advised that if present and voting, he would vote "nay."

The Senator from Kentucky [Mr. BARKLEY], the Senator from Arizona [Mr. HAYDEN], and the Senator from New Mexico [Mr. CHAVEZ] are unavoidably detained. I am advised that if present and voting, the Senator from Kentucky [Mr. BARKLEY] and the Senator from Arizona [Mr. HAYDEN] would vote "nay."

The Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CLARK], the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Nevada [Mr. SCRUGHAM], the Senator from Utah [Mr. THOMAS], the Senator from Missouri [Mr. TRUMAN], the Senator from Delaware [Mr. TUNNELL], the Senator from Washington [Mr. WALLGREN], and the Senator from New Jersey [Mr. WALSH] are necessarily absent.

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WAGNER. I have a general pair with the Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Washington [Mr. WALLGREN]. I am not advised how either Senator would vote, if present and voting.

Mr. WHERRY. The Senator from Minnesota [Mr. SHIPSTEAD] is necessarily absent. If present he would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Illinois [Mr. BROOKS], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], the Senator from Idaho [Mr. THOMAS], the Senator from New Hampshire [Mr. TOBEY], the Senator from Iowa [Mr. WILSON], and the Senator from Kansas [Mr. REED] are necessarily absent.

The yeas and nays resulted—yeas 37, nays 27, as follows:

## YEAS—37

Alken	Holman	O'Mahoney
Bankhead	Jenner	Overton
Bilbo	Johnson, Calif.	Robertson
Buck	Johnson, Colo.	Russell
Bushfield	Kilgore	Stewart
Butler	La Follette	Taft
Chandler	Langer	Wagner
Clark, Mo.	McFarland	Walsh, Mass.
Cordon	Maloney	Wheeler
Danaher	Maybank	Wherry
Ferguson	Mead	Willis
Guffey	Millikin	
Hall	Murray	

## NAYS—27

Austin	Caraway	Gerry
Bailey	Connally	Green
Ball	Davis	Gurney
Burton	Eastland	Hatch
Capper	Ellender	Hawkes

Hill	O'Daniel	Tydings
Lucas	Radcliffe	Vandenberg
McClellan	Revercomb	Weeks
McKellar	Thomas, Okla.	White

## NOT VOTING—31

Andrews	Glass	Thomas, Idaho
Barkley	Hayden	Thomas, Utah
Brewster	McCarran	Tobey
Bridges	Moore	Truman
Brooks	Murdoch	Tunnell
Byrd	Nye	Wallgren
Chavez	Pepper	Walsh, N. J.
Clark, Idaho	Reed	Wiley
Downey	Reynolds	Wilson
George	Scrugham	
Gillette	Shipstead	

The PRESIDING OFFICER. On this question the yeas are 37—

Mr. CONNALLY. Before the result is announced I should like to ask, Did the senior Senator from New York understand the question?

Mr. CHANDLER. A point of order.

Mr. CONNALLY. That it was to send all these nominations back to the committee?

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. CLARK of Missouri. The Chair had started to announce the result, and he should proceed with the announcement.

The PRESIDING OFFICER. On this vote the yeas are 37 and the nays are 27; and the motion is agreed to.

Mr. HILL. Mr. President, I ask that the President be notified forthwith of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## RECESS

Mr. HILL. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 2 minutes p. m.) the Senate took a recess until tomorrow, Thursday, December 7, 1944, at 12 o'clock meridian.

## NOMINATIONS

Executive nominations received by the Senate December 6 (legislative day of November 21), 1944:

## IN THE NAVY

Vice Admiral Samuel M. Robinson, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 31st day of January 1942.

Vice Admiral Willis A. Lee, Jr., United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 21st day of March 1944.

Vice Admiral Theodore S. Wilkinson, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 12th day of August 1944.

Capt. Ralph S. Riggs, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 16th day of June 1943.

Capt. Bernard L. Austin, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as Assistant Chief of Staff, to the Commander in Chief, United States Pacific Fleet and Pacific Ocean Areas.

Commodore Ellery W. Stone, United States Naval Reserve, to be a rear admiral in the Naval Reserve, for temporary service, to continue while serving as Chief Commissioner of the Allied Mediterranean Commission.

Rear Admiral Wilson Brown, United States Navy, when retired on December 1, 1944, to

be placed on the retired list of the Navy with the rank of vice admiral pursuant to an act of Congress approved June 16, 1942.

## CONFIRMATIONS

Executive nominations confirmed by the Senate December 6 (legislative day of November 21), 1944:

## FOREIGN SERVICE

TO BE CONSULS GENERAL OF THE UNITED STATES OF AMERICA

James Hugh Kelley, Jr.  
William E. DeCourcy

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Hartwell Johnson  
Harry M. Donaldson

TO BE CONSULS GENERAL OF THE UNITED STATES OF AMERICA

Albert M. Doyle  
Paul P. Steintorf  
Lewis Clark  
William M. Gwynn  
Paul C. Squire  
James R. Wilkinson

TO BE FOREIGN SERVICE OFFICERS, UNCLASSIFIED, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

A. John Cope, Jr.  
J. Ramon Solana

TO BE A CONSUL OF THE UNITED STATES OF AMERICA

Robert M. Taylor

## IN THE ARMY

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be lieutenant general

Wilhelm Delp Styer

To be major generals

James Maurice Gavin  
Clarence Ames Martin  
Orvil Arson Anderson  
John Y. York, Jr.  
Robert Morris Webster  
Kenneth Bonner Wolfe  
Leo Donovan  
Harry Briggs Vaughan  
Arthur Arnim White  
Willard Gordon Wyman  
Wilton Burton Persons  
James Edmund Parker  
Frank Emil Stoner  
Russel Burton Reynolds  
Julian Sommerville Hatcher  
Clyde Lloyd Hyssong  
William Howard Arnold  
Royal Bertrand Lord  
James Alward Van Fleet  
Carl Adolphus Hardigg  
William Richard Arnold  
Otto Lauren Nelson, Jr.

To be brigadier generals

William Thaddeus Sexton  
Josiah Toney Dalbey  
Francis Kosier Newcomer  
Robert Reese Neyland, Jr.  
Clyde Davis Eddleman  
Walter Edwin Todd  
Robert Ward Berry  
Morrill Watson Marston  
Hugh Bryan Hester  
Matthew John Gunner  
John Andrews Rogers  
Jack Weston Wood  
Walter Joseph Muller  
Fenton Stratton Jacobs  
Herbert Bernard Loper  
James Michael Fitzmaurice  
Carroll Arthur Powell  
Roy William Grower  
William Joseph Morrissey  
Joseph James O'Hare



William Leclé Lee  
 John Moore Thompson  
 Kendall Jordan Fielder  
 Francis Andrew March  
 Lewis Tenney Ross  
 Charles Frederick Colson  
 Halley Grey Maddox  
 Edmund Clayton Lynch  
 Neal Henry McKay  
 John Howell Collier  
 Ralph Julian Canine  
 Wayne Carleton Smith  
 Clyde Massey  
 John Paul Doyle  
 Francis Augustus Englehart  
 Bruce Cooper Clarke  
 Emil Lenzner  
 Leroy Hugh Watson  
 James Creel Marshall  
 Robinson Earl Duff  
 William Albert Collier  
 Sumner Waite  
 Julian Merritt Chappell  
 William Franklin Campbell  
 John Ter Bush Bissell  
 Carter Weldon Clarke  
 Ford Larimore Fair  
 George Foreman Rixey  
 Urban Niblo  
 Crump Garvin  
 Harry Howard Baird  
 James Stevenson Rodwell  
 Emery Scott Wetzel  
 Harold Loring Mace  
 Harold Alling McGinnis  
 Harold Eugene Eastwood  
 Hammond McDougal Monroe  
 Francis Gerard Brink  
 Samuel Davis Sturgis, Jr.  
 Ernest Aaron Bixby  
 John Harold Wilson  
 Charles Heyward Barnwell, Jr.  
 Ralph Adel Snavely

*To be a major general*

William Joseph Donovan

*To be brigadier generals*

Robert Wilbar Wilson  
 L. Kemper Williams  
 Frederick Walker Castle  
 Archie J. Old, Jr.  
 David Sarnoff  
 Timothy James Manning  
 William Andros Barron, Jr.  
 Oscar Nathaniel Solbert  
 John Adams Appleton  
 Rudolph Charles Kuldell

PROMOTIONS IN THE REGULAR ARMY

*To be colonels*

Stanley Lonzo Scott, Corps of Engineers.  
 Henry Crampton Jones, Field Artillery.  
 Carl Lee Marriott, Chemical Warfare Service, subject to examination required by law.  
 James Arthur Pickering, Field Artillery.  
 James Knox Cockrell, Cavalry.  
 William Spence, Field Artillery.  
 Willis McDonald Chapin, Coast Artillery Corps.

Fred Beeler Inglis, Field Artillery.  
 Robert Bruce McBride, Jr., Field Artillery.  
 Paul Vincent Kane, Field Artillery.  
 DeRosey Carroll Cabell, Ordnance Department.

William Ewen Shipp, Cavalry.

*To be lieutenant colonels*

John James Baker, Infantry.  
 George Louis Boyle, Finance Department.  
 Robert Brice Johnston, Quartermaster Corps.  
 Paul Ainsworth Berkey, Field Artillery, subject to examination required by law.  
 Dana Gray McBride, Cavalry.  
 Donald Boyer Phillips, Air Corps.  
 William Wallace Robertson, Infantry.  
 William Peyton Campbell, Finance Department.  
 Harry Starkey Aldrich, Coast Artillery Corps.

Hugh Perry Adams, Field Artillery.  
 Cecil Elmore Archer, Air Corps.  
 Thomas Edward Moore, Field Artillery.  
 Stephen Yates McGiffert, Field Artillery.  
 John Otis Hyatt, Quartermaster Corps.  
 Louis Meline Merrick, Air Corps.  
 Lee Roy Woods, Jr., Finance Department.  
 Rox Hunter Donaldson, Field Artillery.  
 Dudley Warren Watkins, Air Corps.  
 Arthur Nathaniel Willis, Cavalry.  
 Lyman Perley Whitten, Air Corps.  
 Ray Henry Clark, Air Corps.  
 Homer Wilbur Ferguson, Air Corps.  
 James Richmond Simpson, Infantry.  
 Philip Schwartz, Ordnance Department.  
 Richard Brown Thornton, Quartermaster Corps.

Pacifico Castor Sevilla, Philippine Scouts, subject to examination required by law.  
 Charles Nicholas Senn Ballou, Infantry.  
 Samuel Rubin, Coast Artillery Corps.

Walden Sharp Lewis, Infantry.  
 Andrew Julius Evans, Infantry.  
 Donald McKechnie Ashton, Infantry.  
 Edward Alfred Mueller, Quartermaster Corps.

Robert William Calvert Wimsatt, Air Corps.  
 Amado Martelino, Philippine Scouts, subject to examination required by law.

Victor Zalamea Gomez, Philippine Scouts, subject to examination required by law.  
 Clayton Huddle Studebaker, Field Artillery.

Albert James Wick, Quartermaster Corps.  
 Raymond Taylor Tompkins, Field Artillery, subject to examination required by law.  
 George Alfred Arnold Jones, Field Artillery.

George Evans Burritt, Field Artillery.  
 William Madison Mack, Signal Corps.  
 Walter Jesse Klepinger, Field Artillery.  
 Frank Charles McConnell, Coast Artillery Corps.

Donald Fowler Fritch, Air Corps.  
 James Madison Callicutt, Field Artillery.  
 Reginald Pond Lyman, Signal Corps.  
 John Sharpe Griffith, Air Corps, subject to examination required by law.

Pio Quevedo Caluya, Philippine Scouts, subject to examination required by law.  
 George Work Marvin, Corps of Engineers.

*To be first lieutenants*

Charles Adam Ott, Jr., Field Artillery.  
 Richard Gates Davis, Corps of Engineers.

*To be colonels*

David Loran Robeson, Medical Corps.  
 Joseph Ignatius Martin, Medical Corps.  
 Thomas Randolph McCauley, Medical Corps.  
 Lester Eastwood Beringer, Medical Corps.  
 John Moorhaj Tamraz, Medical Corps.

*To be lieutenant colonels*

John Morris Hargreaves, Medical Corps.  
 Don Longfellow, Medical Corps.  
 William Frank DeWitt, Medical Corps.

*To be majors*

Max Naimark, Medical Corps.  
 Vernon James Erkenbeck, Medical Corps, subject to examination required by law.  
 Arthur Herbert Thompson, Medical Corps.  
 Wilson Theodore Smith, Medical Corps.  
 Clarendon Barron Woods, Medical Corps.  
 Joe Alexander Bain, Medical Corps.  
 Cecil Spencer Mollohan, Medical Corps.  
 Francis Whitney Hall, Medical Corps.

*To be captains*

Todd Merriam Mulford, Medical Corps.  
 Joseph Edward Walther, Medical Corps.  
 Fred Ries Sloan, Medical Corps.  
 Colin Francis Vorder Bruegge, Medical Corps.  
 Hamilton Boyd, Jr., Medical Corps.  
 John Sidney Clapp, Medical Corps.  
 Emil Joseph Genetti, Medical Corps.  
 Vernon Charles Kelly, Medical Corps.  
 Robert Richard Jones, Medical Corps.  
 Augustus Lynn Baker, Jr., Medical Corps.  
 Thompson Eldridge Potter, Medical Corps.

Herman Saul Wigodsky, Medical Corps.  
 Camp Stanley Huntington, Medical Corps.

*To be colonels*

Vivian Z. Brown, Dental Corps.  
 Clarence Roy Benney, Dental Corps.  
 Nathan Menzo Neate, Veterinary Corps.  
 John MacWilliams (chaplain), United States Army.  
 Roy Hartford Parker (chaplain), United States Army.

*To be a lieutenant colonel*

Walter Edwin Chase, Dental Corps.

*To be captains*

Randolph Lynn Gregory (chaplain), United States Army.  
 Arthur Henry Marsh (chaplain), United States Army.

*To be a first lieutenant*

Kenneth Oswald Due, Quartermaster Corps, subject to examination required by law.

*To be majors*

Joseph Sibley Cirlot, Medical Corps.  
 Richard Howard Eckhardt, Medical Corps.  
 John Mars Caldwell, Jr., Medical Corps.  
 Charles Parmalee Ward, Medical Corps.  
 Elmer Arthur Lodmell, Medical Corps.  
 Lester Paul Veigel, Medical Corps.  
 George Lewis Beatty, Medical Corps.  
 Harold Irvin Amory, Medical Corps.  
 John Albert Egan, Medical Corps.  
 George Gustavo Guiteras, Medical Corps.  
 Edgar Louis Olson, Medical Corps.  
 Charles Edwards Spellman, Medical Corps.  
 Joe Harrell, Medical Corps.

*To be a captain*

Bruce Hardy Bennett, Medical Corps.

*To be a lieutenant colonel*

Edward Martin Wones, Pharmacy Corps.

*To be a colonel*

Willis Timmons Howard (chaplain), United States Army

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

*To Quartermaster Corps*

Capt. John Francis Farra, Jr.

*To Ordnance Department*

First Lt. Harry Paller  
 First Lt. Frank George White  
*To Signal Corps*  
 First Lt. Donald Read Bodine  
 First Lt. George William Rhyne

*To Field Artillery*

Second Lt. Jack Teague

*To Infantry*

First Lt. John Joseph Pavick

*To Air Corps*

First Lt. Andrew D'Elia  
 Second Lt. Donald Hepburn Bruner

POSTMASTERS

ARKANSAS

Elmer Freas Crutchfield, Batesville.  
 Sara M. Higginbottom, Wickes.  
 Simon O. Norris, Williford.

INDIANA

Wanda R. Barnett, Michigantown.  
 Vern Hahn, Wakarusa.

LOUISIANA

Edward P. Terrell, Jr., Avery Island.  
 Cleora W. Charleville, Cloutierville.  
 Adina M. Edwards, Noble.  
 Monroe Erskins, Sikes.  
 Carl E. Blackwell, Simpson.

WISCONSIN

Jules G. Pierre, Brussels.  
 George V. Carolan, Glenbeulah.

## WITHDRAWAL

Executive nomination withdrawn from the Senate December 6 (legislative day of November 21), 1944:

## IN THE NAVY

Capt. Ellery W. Stone, United States Naval Reserve, to be a rear admiral in the Naval Reserve, for temporary service.

## REJECTION

Executive nomination rejected by the Senate December 6 (legislative day of November 21), 1944:

POSTMASTER  
MISSOURI

Rachel Elgiva McCracken to be postmaster at Calt, Mo.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 6, 1944

The House met at 11 o'clock a. m., and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, out of Thy infinite fountain of mercy, opened by Thy loving heart and brought near to us by the sacrificial death of our Saviour, grant us the treasures of wisdom, righteousness, and self-control. Bring our hearts under the influence of the Divine Presence, hallowing our affections and sanctifying our responsibilities. Keep our minds in unshaken faith, in the wonder of Thy Fatherhood, and under the calming rest of that spirit that bids the troubled waters die. "Be not afraid, lo, it is I."

Brighten all our course that we may irradiate the lives of the lowly and comfort the sorrowing; with Thine own consolations do Thou give them the garment of praise for the spirit of heaviness that cares and anxieties may cease to gnaw. O Son of Man, whose message is to those who bleed and suffer and most assuredly for our wounded soldiers, may they never hunger nor yield to despair because of us. O walk the battlefields, through the hospitals, and in the homes; with Thy presence give them new wills, fresh visions, and the blessing of a new-found joy. By the countless crosses and stars round which the winds sigh and moan and by the eternal law of love by which the world alone can be saved, O summon us to a deeper self-effacement. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 218. An act to authorize relief of disbursing officers of the Army on account of loss or deficiency of Government funds, vouchers, records, or papers in their charge; and

S. 267. An act relating to marriage and divorce among members of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians.

The message also announced that the Vice President has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agency:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of Labor.
4. Department of the Navy.
5. Post Office Department.
6. Department of the Treasury.
7. Department of War.
8. Government Printing Office.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 2185) entitled "An act to authorize the Secretary of the Interior, in carrying out the purposes of the act of May 18, 1916 (39 Stat. 137), to purchase logs, lumber, and other forest products," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. THOMAS of Oklahoma, Mr. WHEELER, Mr. LA FOLLETTE, and Mr. SHIPSTEAD to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4311. An act to authorize the appointment of two additional Assistant Secretaries of State.

GRANTING RIGHTS-OF-WAY FOR PETROLEUM PIPE LINES, TELEPHONE AND TELEGRAPH LINES WITHIN AREA OF INDIAN ROCK DAM, YORK COUNTY, PA.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5219) to provide for the granting of rights-of-way for pipe lines for petroleum and petroleum products and for telephone and/or telegraph lines through and across lands of the United States within the area of Indian Rock Dam and Reservoir, located in York County, Pa., and its immediate consideration. I may say that I have discussed this matter with the majority leaders. The bill has a favorable report from the War Department, from the Petroleum Administrator for War, and from the Interstate and Foreign Commerce Committee of the House.

The SPEAKER. The gentleman has consulted with the Members who may be interested?

Mr. DISNEY. Mr. Speaker, I have written letters to all of the official objectors.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain the legislation requested?

Mr. DISNEY. The Sinclair Pipe Line Co. was acquiring and had acquired a

large amount of right-of-way for the building of a war pipe line from Steubenville, Ohio, to Marcus Hook, N. J., and thence down to Baltimore. During that process the Government started to condemn lands in this Indian reservation for a reservoir in Pennsylvania. The Sinclair Co. then disclaimed and deeded their rights-of-way to the Government. The Secretary of War granted one of these 5-year easements, which is non-extendable. The only way in which they can continue is to have action by Congress.

Mr. MARTIN of Massachusetts. And the War Department is agreeable to the legislation.

Mr. DISNEY. Yes.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of War be, and he is hereby, authorized and empowered, to grant to Sinclair Refining Co., a Maine corporation, its successors and assigns, an easement for rights-of-way for pipe lines for the transportation of crude petroleum and/or the products and/or byproducts thereof, and also for telegraph and/or telephone lines, for use in connection with the operation of such pipe line or pipe lines, over, through, under, and across all those certain lands of the United States embraced in what is known as Indian Rock Dam and Reservoir Area in the county of York, Commonwealth of Pennsylvania: *Provided*, That such easement shall be granted only upon a finding by the Secretary of War that the same will not substantially injure the interests of the United States in the property affected thereby, and will not be incompatible with the public interest: *And provided further*, That all or any part of such easement may be annulled and forfeited by the Secretary of War after reasonable notice (a) for failure of said Sinclair Refining Co., or its successors or assigns, to comply with the terms or conditions of any grant made hereunder or (b) for abandonment of such easement: *And provided further*, That all moneys which may accrue to the United States under the provisions of this act shall be deposited in the Treasury as miscellaneous receipts.

With the following committee amendment:

Page 1, line 4, after the comma, insert "under such terms and conditions as are deemed advisable by him."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. BYRNE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BYRNE. Mr. Speaker, yesterday I was visiting some of my constituents at Walter Reed Hospital when the record vote on H. R. 5564, pursuant to House